

City of Kelowna

Regular Council Meeting

AGENDA



Monday, September 30, 2013
1:30 pm
Council Chamber
City Hall, 1435 Water Street

Pages

1. Call to Order

This meeting is open to the public and all representations to Council form part of the public record. A live audio feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

2. Confirmation of Minutes

4 - 8

Regular PM Meeting - September 23, 2013

3. Public in Attendance

3.1 Heather Schneider, Chair, Kelowna International Children's Games Committee

9 - 16

Highlights of Team Kelowna and the International Children's Summer Games in Windsor, Ontario August 14-19, 2013

4. Development Application Reports & Related Bylaws

4.1 Revitalization Tax Exemption Application No. RTE11-0001 (Amendment) - 1650 Bertram Street, Davara Holdings Ltd.

17 - 31

The applicant is applying to amend the RTE11-0001 which was approved by Council at the March 20, 2012 Council Meeting. The applicant would like to change the term of the agreement from 2015 - 2024 to 2014 - 2023.

4.2 Rezoning Application No. Z10-0091, Extension Request - 196 Cariboo Road, D & S Schulz Enterprises Ltd.

32 - 34

To consider a final extension of Zone Amending Bylaw No. 10513 from October 19, 2013 to October 19, 2014 in order to rezone the subject property from the RR3 - Rural Residential 3 zone to the RU6 – Two Dwelling Housing and RU1- Large Lot Housing zones to facilitate subdivision into two lots.

4.3 Rezoning Application No. Z12-0046, Extension Request - 1350 St. Paul Street,

35 - 38

To consider a final extension of Zone Amending Bylaw No. 10757 from October 2, 2013 to October 2, 2014 in order to rezone the subject property from the I2 – General Industrial zone to the C7 – Central Business Commercial zone to either formalize the use of the subject property as a surface parking lot or to allow the applicant time to pursue a potential development opportunity for the property.

5. Non-Development Reports & Related Bylaws

5.1 Update - FortisBC Alternative Energy Services Inc. (FAES) - Kelowna District Energy System (KDES) 39 - 87

To advise Council on the elements in the proposed “Definitive Operating Agreement” for District Energy System Downtown Kelowna (attachment 1), the “Supplementary Permitting & Fee Agreement” (attachment 2), the benefits for the City as a customer and supporter of District Energy and an overview from FAES on the British Columbia Utilities Commission (BCUC) process and business case used to support of the application for a Certificate of Public Convenience and Necessity (CPCN).

5.2 2014 Grants 88 - 125

The purpose of this report is to provide an overview of grant programs and processes to be administered by the Cultural Services Branch for 2014. In early 2014, following the grant adjudication process, staff will provide the list of 2014 recipients and a summary of achievements, benefits and impacts arising from grants awarded in 2013.

5.3 Appaloosa-WaterSewer Road Pre-design 126 - 218

The purpose of this report is to provide Council with an update on the results of the pre-design for water, sewer and roads of the Arab/ Appaloosa area, and to recommend that the proposed Local Area Services to be abandoned. The infrastructure costs required to meet the upgrades required for I6-Low Impact Transitional Industrial Zoning requirements are substantial. This report will identify the scope of the proposed upgrades and how these LAS costs were developed.

5.4 Kelowna Downtown Business Improvement Area - Bylaw No. 10880 219 - 221

To submit the Certificate of Sufficiency for the Kelowna Downtown Business Improvement Area and to advance Bylaw No. 10880 for adoption.

5.4.1 Bylaw No. 10880 - Kelowna Downtown Business Improvement Area (2014-2018) 222 - 237

To consider adoption of Bylaw No. 10880

5.5 Road Closure - Adjacent to 1595 Spall Road - Sept 30 238 - 240

The excess closed road is to be held by the City of Kelowna for future trade, sale or other form of consolidation with the adjacent properties at 1595 and/or 1535 Spall Road.

5.5.1 Bylaw No. 10855 - Road Closure Bylaw - Portion of Spall Road

241 - 242

To give Bylaw No. 10855 first, second and third readings.

6. Mayor and Councillor Items

7. Termination



City of Kelowna Regular Council Meeting Minutes

Date: Monday, September 23, 2013
Location: Council Chamber
City Hall, 1435 Water Street

Council Members Present Mayor Walter Gray and Councillors Colin Basran, Andre Blaneil, Maxine DeHart, Gail Given, Robert Hobson*, Mohini Singh, Luke Stack and Gerry Zimmermann

Staff Present Acting City Manager, Rob Mayne; City Clerk, Stephen Fleming; Planner II, James Moore*; Manager, Subdivision, Agriculture & Environment Services, Todd Cashin*; Director, Subdivision, Agriculture & Environment Services, Shelley Gambacort*; Manager, Cultural Services, Sandra Kochan*; Manager, Property Management, Ron Forbes*; and Council Recording Secretary, Sandi Horning

(* denotes partial attendance)

1. Call to Order

Mayor Gray called the meeting to order at 1:31 p.m.

Mayor Gray advised that the meeting is open to the public and all representations to Council form part of the public record. A live audio feed is being broadcast and recorded by CastaNet and a delayed broadcast is shown on Shaw Cable.

2. Confirmation of Minutes

Moved By Councillor Basran/Seconded By Councillor Zimmermann

R610/13/09/23 THAT the Minutes of the Regular PM Meeting of September 9, 2013 be confirmed as circulated.

Carried

8. Mayor and Councillor Items

Mayor Gray:

- Advised that the City of Kelowna was presented three (3) Awards during last week's UBCM Convention as follows:
 - o "Open for Business Award" from the BC Small Business Roundtable;

- UBCM “Community Excellence Award for Best Practices”; and
- “Community Recognition Award” from the Canadian Wood Council.

Councillor DeHart:

- Commented on her attendance at the UBCM Convention last week.
- Commented on the face-to-face meetings with the Provincial Ministers during the Convention week.

Councillor Given:

- Commented on her attendance at the UBCM Convention last week.

Councillor Stack:

- Commented on his attendance at the UBCM Convention last week.
- Noted that the City of Kelowna had two (2) Resolutions on the floor, Beach Water Quality Testing and Anti-Noise (Excessively Loud Motorcycles) and the District of Lake Country had one (1) Resolution on the floor, Protection of Lake Water. All three (3) Resolutions passed with a lot of support.

Mayor Gray:

- Commented on his attendance at the UBCM Convention last week.
- Noted that Premier Clark’s announcement that the Richmond Massey Tunnel will be replaced with a bridge does not imply that an Okanagan Lake Second Crossing is now off the table.

3. Public in Attendance

3.1. Superintendent Romanchuk, re: Quarterly Policing Report

Superintendent Romanchuk:

- Introduced himself and provided an overview of the Policing Report.
- Responded to questions from Council.

3.2. Culture Days - Poem by Rawle James

Staff:

- Advised that Kelowna is celebrating ‘Culture Days’ on September 27 - 29, 2013.
- Introduced the local spoken word artist, Rawle James.

Rawle James, Local Spoken Word Artist:

- Performed a new work entitled ‘Rainbow Culture’ in support of Kelowna’s Culture Days.

4. Development Application Reports & Related Bylaws

4.1. Rezoning Application No. Z12-0062 - 2190 Cooper Road, Brian & Linda Pahl

Staff:

- Summarized the application before Council.
- Displayed several photos and site drawings of the subject property.
- Responded to questions from Council.

Mayor Gray invited the Applicant, or Applicants’ Representative, to come forward.

Linda & Brian Pahl, Scenic Road, Applicants:

- Would like to rezone the property from the Agricultural Land Reserve as it is becoming very difficult to farm the property as their children are not willing to take on any of the responsibility.
- Responded to questions from Council.
- Advised that the agri-tourism sites would not be constructed until the Fall of 2014.

Staff:

- Responded to questions from Council.

Council:

- Expressed a concern with the lack of a farm plan.
- Expressed a concern with the lack of farm investment.
- Expressed a concern that the Applicants are requesting the maximum allowable sites, being ten (10).
- Expressed a concern that it appears that the main focus of the Applicants is on agri-tourism rather than farming.

A motion by Councillor Blanleil to forward Rezoning Application No. Z12-0062 to a Public Hearing was lost for lack of a seconder.

Moved By Councillor Given/Seconded By Councillor Zimmermann

R611/13/09/23 THAT Rezoning Application NO.Z12-0062 to amend the City of Kelowna Zoning bylaw No.8000 by changing the zoning classification of Lot A, District Lot 128, ODYD Plan KAP80629 located at 2190 Cooper Road, Kelowna, BC from the A1-Agriculture zone to the A1t-Agriculture 1 with Agri-tourist Accommodation zone NOT be considered by Council.

Carried

Councillor Blanleil - Opposed.

4.2. Report - A13-0003 ALR Exclusion 2025 Springfield Road, 2120 Cooper Road (McIntosh Properties)

Staff:

- Provided an overview of the application before Council.

Councillor Hobson declared a perceived conflict of interest as he represented the Applicants, prior to being on Council, in the 1980's with respect to a similar Agricultural Land Reserve exclusion file and left the meeting at 3:02 p.m.

Staff:

- Responded to questions from Council.

Moved By Councillor Zimmermann/Seconded By Councillor Stack

R612/13/09/23 THAT Agriculture Land Reserve appeal A13-0003 for Lot 1, District Lot 128, Osoyoos Division Yale District, Plan 18971, except Plan 43996 located at 2025 Springfield Road and Lot B, District Lot 128, Osoyoos Division Yale District, Plan 970 except Plans 36410, 41244, KAP47295 and H12895 located at 2120 Cooper Road for exclusion of land in the ALR pursuant to Section 30(1) of the Agricultural Land Commission Act, be supported by Municipal Council;

AND THAT Municipal Council directs staff to forward the subject application to the Agricultural Land Commission.

Carried

Councillor Singh - Opposed.

4.3. Extension Report OCP10-0008 Z10-0040 - 2149, 2159, 2169, 2179, 2189 Pandosy St (Marrington, Balla)

Councillor Hobson rejoined the meeting at 3:26 p.m.

Staff:

- Responded to questions from Council.

Moved By Councillor Stack/Seconded By Councillor Zimmermann

R613/13/09/23 THAT in accordance with Development Application Procedures Bylaw No. 10540, the deadline for adoption of Official Community Plan Amending Bylaw No. 10440 and Zone Amending Bylaw No. 10439 for Lots 1, 2 and 3, District Lot 14, Osoyoos Division Yale District, Plan 5973 and Lots 1 and 2, District Lot 14, Osoyoos Division Yale District, Plan 3216 located 2149, 2159, 2169, 2179 and 2189 Pandosy Street, Kelowna, BC, be extended from July 10, 2013 to July 10, 2014.

Carried

6. Non-Development Reports & Related Bylaws

6.1. Report to Council Sept 23 - Lease to Okanagan Symphony

Staff:

- Provided an overview of the Lease and responded to questions from Council.

Moved By Councillor Hobson/Seconded By Councillor Given

R614/13/09/23 THAT Council approves the City entering into a five (5) year Lease Agreement, with the Okanagan Symphony Society, at the Knowles House at 865 Bernard Avenue for the purpose of office and storage space, with the option to renew for an additional five (5) year term at the City's sole discretion, in the form attached to the Report of the Manager, Property Management, dated September 18, 2013;

AND THAT the Mayor and City Clerk be authorized to execute the Lease Agreement.

Carried

5. Bylaws for Adoption (Development Related)

5.1. Bylaw No.10881 Z13-0026 - 330 Taylor Road (Comfort Crafted Homes Inc)

Moved By Councillor Zimmermann/Seconded By Councillor DeHart

R615/13/09/23 THAT Bylaw No.10881 be adopted.

Carried

7. Bylaws for Adoption (Non-Development Related)

7.1. Bylaw No.10863 - Amendment No. 2 to Development Applications Procedures Bylaw No. 10540

Moved By Councillor Basran/Seconded By Councillor Blanleil

R616/13/09/23 THAT Bylaw No.10863 be adopted.

Carried

9. Termination

This meeting was declared terminated at 3:37 p.m.

Mayor

/slh



City Clerk

DRAFT



August 14 - 19, 2013

TEAM KELOWNA

INTERNATIONAL CHILDREN'S SUMMER GAMES - WINDSOR



TEAM KELOWNA



Girls Basketball: Kiara Gaspari, Bianca Raiva, Kim Belanger, Mariah Perry, Jenna Gargaro, Makenna Mendes, Marin Felt, Hannah Walline, Coach Brooke Briscoe

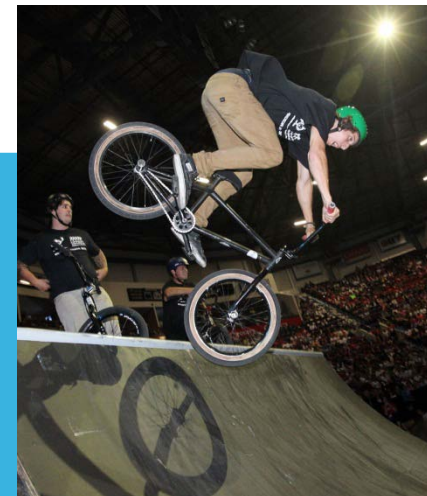
Boys basketball: Braxton Cardiff, Eric Wright, Sterling Peterson, Gurveer Madurai, Joe Small, Jackson Kathler, Puneet Madurai, Logan Jacobs, Coach Matt Briscoe

Track and Field: Maggie Minkus, Taryn O'Neill, Coach Brianne Kokayko

HOD Angie March, VIP Heather Schneider



OPENING CEREMONIES



THE GAMES!



THE CITY AND THE FUN

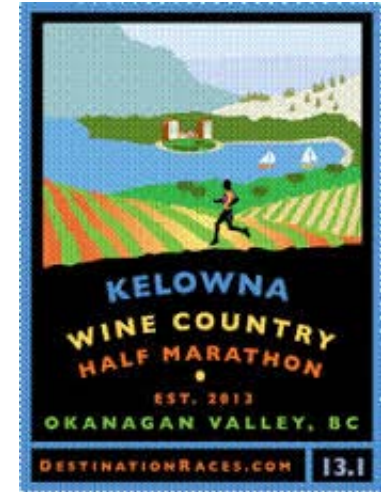


A WORD FROM OUR TEAM

Andrea O'Neill – athletics parent

Hannah Walline – girls basketball

FUNDRAISING EFFORT AND SPONSORS



THE FUTURE



Lake Macquarie Australia, December 6 - 11, 2014



Alkmaar Netherlands in summer 2015



Innsbruck Austria January 2016

Kelowna has sent 162 young athletes and coaches to IC Games in Kelowna, Scotland, South Korea, Russia, and Windsor, participating in 13 different sports

REPORT TO COUNCIL



Date: September 20th, 2013

RIM No. 1220-02

To: City Manager

From: Land Use Management, Community Sustainability (AW)

Application: RTE11-0001 (Amendment) **Owner:** Davara Holdings Ltd., Inc. No. BC0797640

Address: 1650 Bertram Street **Applicant:** Davara Holdings Ltd.

Subject: 2013-09-30 Report RTE11-0001_Amendment

Existing OCP Designation: Mixed Use (Commercial / Residential)

Existing Zone: C7 - Central Business Commercial

1.0 Recommendation

THAT Council approves the City of Kelowna entering into an amended Revitalization Tax Exemption Agreement with Davara Holdings Ltd for Lot A, District Lot 139, ODYD, Plan 33185 in the form attached to the report form Urban Planning dated September 20, 2013;

AND THAT the Mayor and City Clerk be authorized to execute the Revitalization Tax Exemption Agreement.

2.0 Purpose

The applicant is applying to amend the RTE11-0001 which was approved by Council at the March 20, 2012 Council Meeting. The applicant would like to change the term of the agreement from 2015 - 2024 to 2014 - 2023.

3.0 Land Use Management

Staff support amending the agreement as the building has received its Occupancy Permit and is therefore ready in time to enjoy the benefits of the agreement in 2014 rather than 2015. The site is located in Tax Incentive Area 2, therefore the commercial project qualifies for a 50% exemption on the incremental increase in assessed value (i.e. not including the assessed value of the existing building). The subject property is located within an area that is evolving as part of the downtown business district. Aided by the proposed Revitalization Tax Exemption Agreement, the proposed redevelopment of a private surface parking lot will support the continued revitalization of this area by introducing more uses into this part of the Downtown Urban Centre.

5.0 Current Development Policies

5.1 Kelowna 2030 Official Community Plan

The subject property is designated as Mixed Use (Commercial / Residential) for future land use.

Revitalization Design Guidelines

Objectives

- Use appropriate architectural features and detailing of buildings and landscapes to define area character;
- Convey a strong sense of authenticity through high quality urban design that is distinctive of Kelowna;
- Enhance the urban centre's main street character in a manner consistent with the area's character;
- Provide for a scale and massing of buildings that promotes an enjoyable living, pedestrian, working, shopping and service experience;
- Encourage an appropriate mix of uses and housing types and sizes;
- Create open, architecturally-pleasing and accessible building facades to the street; and
- Improve existing streets and sidewalks to promote alternative transportation.

5.2 Revitalization Tax Exemption Bylaw No. 9561

In order for a Project to be considered by Council for a Tax Exemption (Section 6):

- the Project must involve construction that results in floor space being added to an existing building or in a new building altogether; *Satisfied.*
- the construction value of the Project, as determined based on the building permit(s) issued, must be \$250,000.00 or greater. *Satisfied.*
- the land use into which the Project is intended to fit must be one of the uses permitted in the applicable zone for the Parcel, as set out in City of Kelowna Zoning Bylaw No. 8000, as amended from time to time, is consistent with the future land use designation for the Parcel, as set out in *Kelowna 2020 - Official Community Plan Bylaw No. 7600*, as amended from time to time, and the Project must meet all other applicable City policies and bylaws; *Satisfied* and
- the owner of the Parcel must enter into an Agreement with the City. *Satisfied*

6.0 Technical Comments

Building & Permitting

No comment

Development Engineering

Requirements for the road frontage improvements and service upgrades have been addressed in our Report under File DP11-0085

Development Engineering has no comments with respect to this application for a Revitalization Tax Exemption.

Financial Services

Financial Services reviewed the RTE Agreement to ensure consistency with Revitalization Tax Exemption Bylaw No.9561.

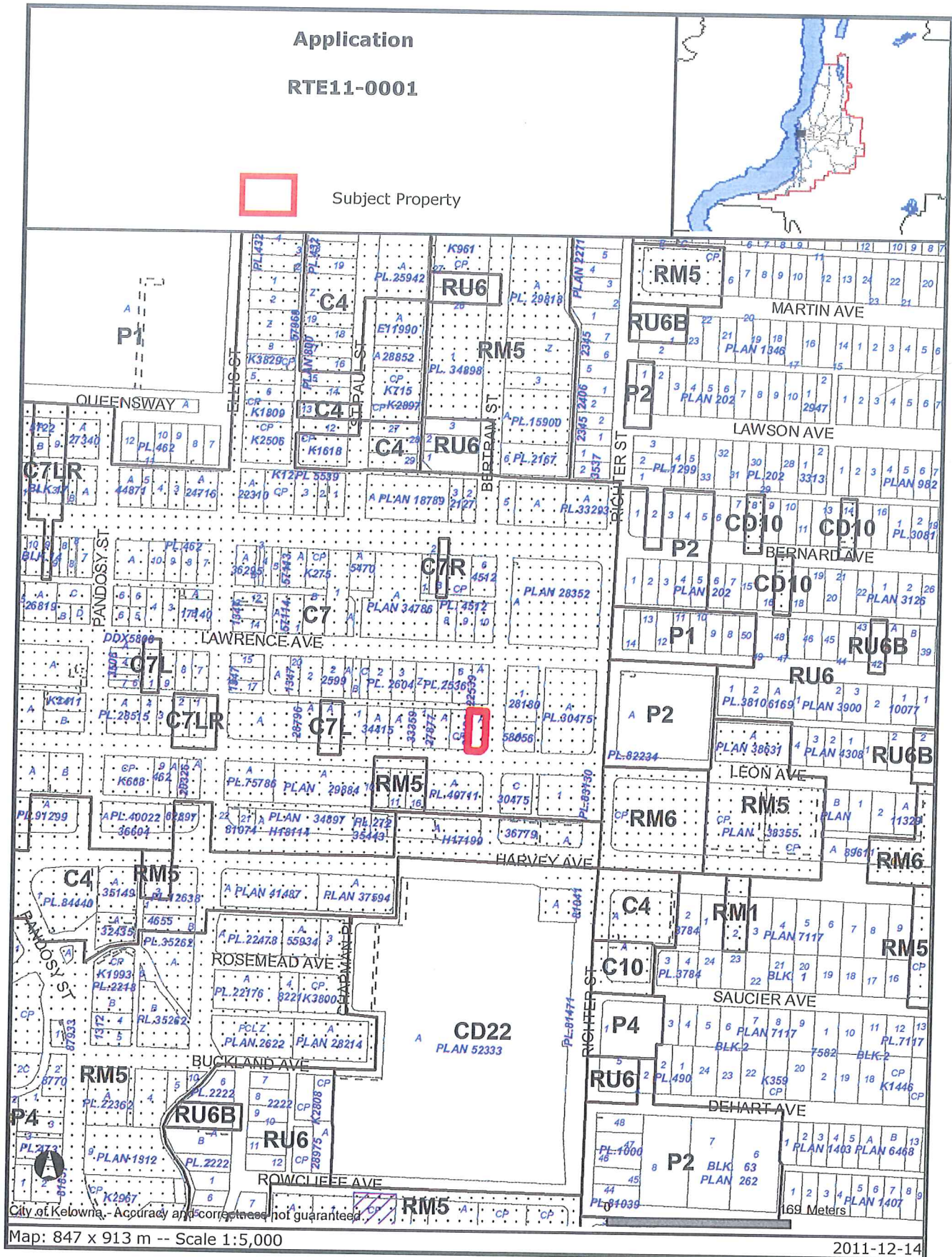
Report prepared by:

Alec Warrender, Land Use Planner

Reviewed by: ☐ Danielle Noble-Brandt, Manager, Urban Land Use

Approved Inclusion: ☐ D. Gilchrist, Community Planning & Real Estate Divisional Director

Attachments:
Subject property map
RTE Agreement



Certain layers such as lots, zoning and dp areas are updated bi-weekly. This map is for general information only.
The City of Kelowna does not guarantee its accuracy. All information should be verified.

SCHEDULE "B"

Revitalization Tax Exemption Agreement

THIS AGREEMENT dated for reference the 2nd day of October 2013 is

BETWEEN:

Davara Holdings Ltd.
1-911 Borden Ave,
Kelowna, B.C
V1Y 6A5
(the "Owner")

AND:

CITY OF KELOWNA
1435 Water Street,
Kelowna, B.C.
V1Y 1J4

(the "City")

GIVEN THAT:

- A. The Owner is the registered owner in fee simple of lands in the City of Kelowna at 1650 Bertram Street legally described as Lot A District Lot 139 ODYD Plan 33185 P.I.D 003-237-371 (the "Parcel");
- B. Council has established a revitalization tax exemption program and has included within the City of Kelowna Revitalization Tax Exemption Bylaw No. 9561 the designation of areas which include the Parcel as a revitalization area; and
- C. The Owner proposes to construct new improvements *[or alter existing improvements]* on the Parcel as described in Appendix "A" attached to and forming part of this agreement (the "Project") and has applied to the City to take part in the revitalization tax exemption program in respect of the Project and the City has agreed to accept the Project under the program;

THIS AGREEMENT is evidence that in consideration of the promises exchanged below, the Owner and the City covenant and agree each with the other as follows:

- 1. **The Project** - the Owner will use its best efforts to ensure that the Project is constructed, maintained, operated and used in a fashion that will be consistent with and will foster the objectives of the revitalization tax exemption program, as outlined in the City of Kelowna Revitalization Tax Exemption Bylaw No. 9561. Without limiting the generality of the foregoing, the Owner covenants to use its best efforts to ensure that the Project will:
 - a. Increase the attractiveness of the area to current and potential residents by promoting a higher level of urban design. This is achieved by following two basic concepts concerning modern design: truth to materials, and flexibility. The choice of materials is specific. The materials do not try to hide or distance themselves from construction, or from

their own composition. Unlike many buildings that are composed of veneers, and compromised construction techniques, the design of this building stays true to its core materials of concrete, steel, and glass: allowing them to provide their own unique character to the overall design. The building is meant to have stability and longitude in mind, but it is also intended to last in both composition and design.

b. Help act as a catalyst for investment to a district of the urban centre that has lost its prominence over the last decade. Introducing new life into a stagnate area to help create a sense of importance and discussion around why this area has been over looked for so long and what can be done to change that paradigm.

c. Enhance the existing 1 storey café building by incorporating into the design a fully accessible rooftop patio. This green roof becomes an urban garden for the occupants of the building to the north, and an important precedent for providing green renewal in urban areas. The south facing garden has access to light as well as to the streetscape below, allowing further animation of this particular urban context.

2. **Operation and Maintenance of the Project** - throughout the term of this agreement, the Owner shall operate, repair and maintain the Project and will keep the Project in a state of good repair as a prudent owner would do.
3. **Revitalization Tax Exemption** - subject to fulfilment of the conditions set out in this agreement and in "City of Kelowna Revitalization Tax Exemption Bylaw No. 9561", the City shall issue a revitalization tax exemption certificate (the "Tax Exemption Certificate") to the British Columbia Assessment Authority entitling the Owner to a property tax exemption in respect of the property taxes due (not including local service taxes) in relation to the improvements on the Parcel (the "Tax Exemption") for the calendar year(s) set out in this agreement. The Tax Exemption Certificate shall be in the form of Appendix "B", which is attached to and forms part of this agreement.
4. **Conditions** - the following conditions shall be fulfilled before the City will issue a Tax Exemption Certificate to the Owner in respect of the Project:
 - a. The Owner must obtain a building permit from the City for the Project on or before February 1, 2013;
 - b. The Owner must complete or cause to be completed construction of the Project in a good and workmanlike fashion and in strict compliance with the building permit and the plans and specifications attached hereto as Appendix "C" and the Project must be officially opened for an *office and food primary with liquor licence* and for no other uses, by no later than July 15, 2014;
 - c. The completed Project must substantially satisfy the performance criteria set out in Appendix "D" hereto, as determined by the City's Land Use Management or designate, in their sole discretion, acting reasonably;
5. **Calculation of Calculation of Revitalization Tax Exemption** - As the subject property is located in "Tax Exemption Area 2" the amount of the Tax Exemption shall be equal to 50% of the municipal share of the property tax due annually in relation to the improvements on the Parcel which can be attributed to a commercial land use. *But in any case shall not be more than the incremental increase in the assessed value of improvements on the Parcel between the year before the commencement of construction of the Project, and the year following the year in*

which the Tax Exemption Certificate is issued, nor include an exemption from any local service tax payable.

6. **Term of Tax Exemption** - provided the requirements of this agreement, and of the City of Kelowna Revitalization Tax Exemption Bylaw No. 9561, are met the Tax Exemption shall be for the taxation years 2014 to 2023, inclusive.
7. **Compliance with Laws** - the Owner shall construct the Project and, at all times during the term of the Tax Exemption or any renewal term, use and occupy the Parcel and the Project in compliance with all statutes, laws, regulations and orders of any authority having jurisdiction and, without limiting the generality of the foregoing, all federal, provincial, or municipal laws or statutes or bylaws, including all the rules regulations policies guidelines criteria or the like made under or pursuant to any such laws.
8. **Effect of Stratification** - if the Owner stratifies the Parcel or the Project under the *Strata Property Act*, then the Tax Exemption shall be prorated among the strata lots in accordance with the unit entitlement of each strata lot for:
 - a. the current and each subsequent tax year during the currency of this agreement if the strata plan is accepted for registration at the Land Title Office before May 1; or
 - b. for the next calendar year and each subsequent tax year during the currency of this agreement if the strata plan is accepted for registration at the Land Title Office after May 1;

so long as, where a Housing Agreement exists in relation to the Parcel or the Project which limits ability to stratify, the Housing Agreement is still complied with.

9. **Cancellation** - the City may in its sole discretion cancel the Tax Exemption Certificate at any time:
 - a. on the written request of the Owner; or
 - b. effective immediately upon delivery of a notice of cancellation to the Owner if at any time any of the conditions in the Tax Exemption Certificate are not met.

If such cancellation occurs, the Owner of the Parcel for which the Tax Exemption Certificate was issued will remit to the City an amount equal to the value of any Tax Exemption received after the cancellation of the Tax Exemption Certificate.

10. **No Refund** - for greater certainty, under no circumstances will the Owner be entitled under the City's revitalization tax exemption program to any cash credit, any carry forward tax exemption credit or any refund for any property taxes paid.

11. **Notices** - any notice or other writing required or permitted to be given hereunder or for the purposes hereof to any party shall be sufficiently given if delivered by hand or posted on the Parcel, or if sent by prepaid registered mail (Express Post) or if transmitted by facsimile to such party:

- a. in the case of a notice to the City, at:

THE CITY OF KELOWNA
1435 Water Street,
Kelowna, B.C.
V1Y 1J4

Attention: Land Use Management Department

- b. in the case of a notice to the Owner, at:

Davara Holdings Ltd.
1-911 Borden Ave
Kelowna B.C.
V1Y 6A5

Attention: D. Sargent
Fax: 250-868-1720

Or at such other address as the party to whom such notice or other writing is to be given shall have last notified the party giving the same.

12. **No Assignment** - the Owner shall not assign its interest in this agreement except to a subsequent owner in fee simple of the Parcel.
13. **Severance** - if any portion of this agreement is held invalid by a court of competent jurisdiction, the invalid portion shall be severed and the decision that it is invalid shall not affect the validity of the remainder of this agreement.
14. **Interpretation** - wherever the singular or masculine is used in this agreement, the same shall be construed as meaning the plural, the feminine or body corporate where the context or the parties thereto so require.
15. **Further Assurances** - the parties hereto shall execute and do all such further deeds, acts, things and assurances that may be reasonably required to carry out the intent of this agreement.
16. **Waiver** - waiver by the City of a default by the Owner shall be in writing and shall not be deemed to be a waiver of any subsequent or other default.

17. **Powers Preserved** - this agreement does not:

- a. Affect or limit the discretion, rights or powers of the City under any enactment or at common law, including in relation to the use or subdivision of the Parcel;
- b. Affect or limit any enactment relating to the use or subdivision of the Parcel; or
- c. Relieve the Owner from complying with any enactment, including in relation to the use or subdivision of the Parcel, and without limitation shall not confer directly or indirectly any exemption or right of set-off from development cost charges, connection charges, application fees, user fees or other rates, levies or charges payable under any bylaw of the City.

18. **Reference** - every reference to each party is deemed to include the heirs, executors, administrators, personal representatives, successors, assigns, servants, employees, agents, contractors, officers, licensees and invitees of such party, wherever the context so requires or allows.

19. **Enurement** - this agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF the parties hereto have executed this agreement as of the day and year first above written.

Executed by the CITY OF KELOWNA by
Its authorized signatories:

Mayor

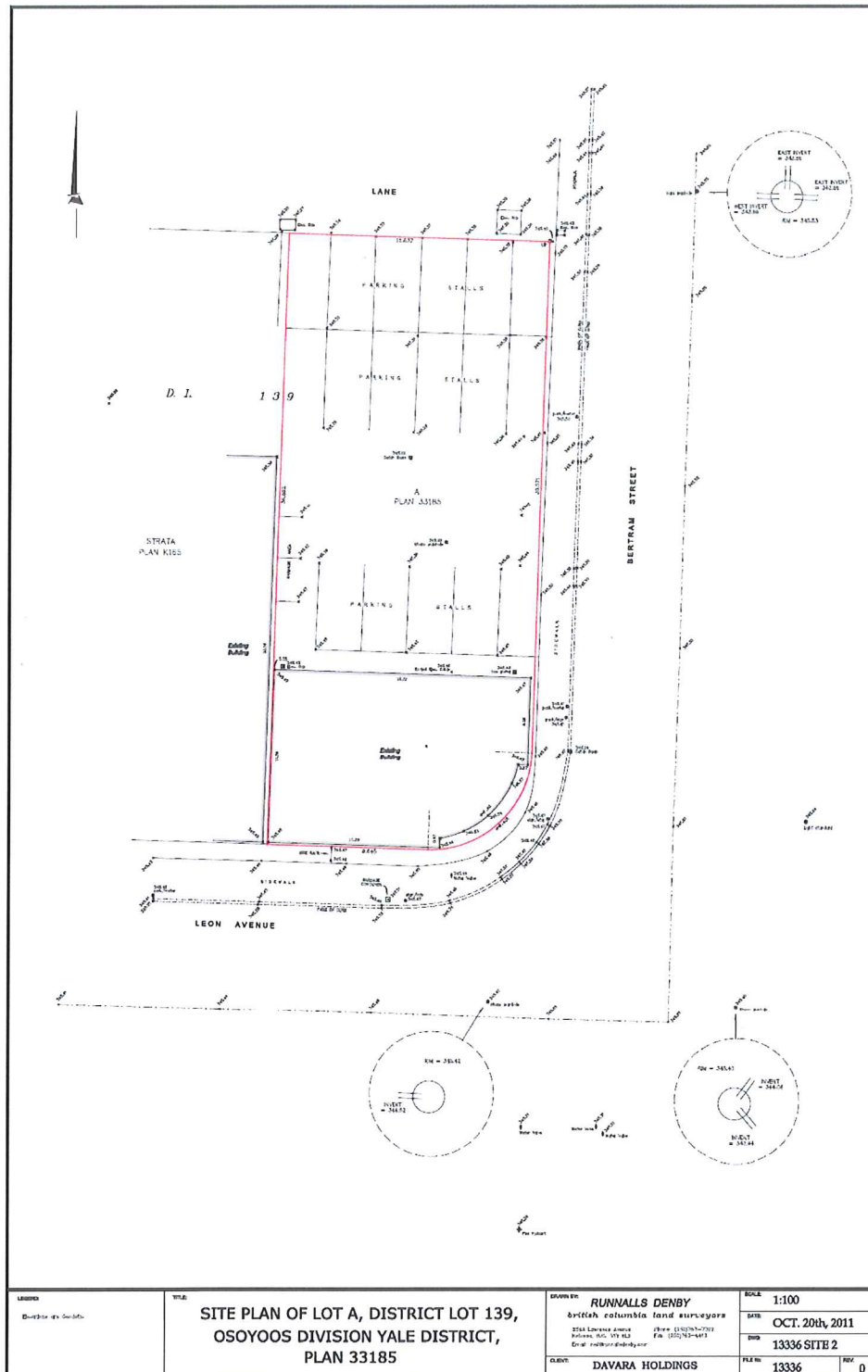
City Clerk

Executed by Davara Holdings Ltd. by its
Authorized signatories:


Name: _____

Name:

Map of Affected Parcel



Appendix “B” to Revitalization Tax Exemption Agreement

Tax Exemption Certificate

In accordance with the City of Kelowna Revitalization Tax Exemption Bylaw No. 9561 (the “Bylaw”), and in accordance with a Revitalization Tax Exemption Agreement dated for reference the ____ day of _____, 20__ (the “Agreement”) entered into between the City of Kelowna (the “City”) and Davara Holdings Ltd. (the “Owner”), the registered owner(s) of Lot A District Lot 139 ODYD Plan 33185 P.I.D 003-237-371 (the “Parcel”):

This certificate certifies that the Parcel is subject to a revitalization tax exemption equal to the following improvement portion(s) of the assessment value of the Parcel: Class 06 Business/Other _____: 50% multiplied by the municipal rate of tax in effect for Class 06 - Business/Other, for each of the taxation years 2014 to 2023 inclusive.

The Tax Exemption is provided under the following conditions:

1. The Owner does not breach any term, condition or provision of, and performs all obligations set out in, the Agreement and the Bylaw;
2. The Owner has not sold all or any portion of his or her equitable or legal fee simple interest in the Parcel without the transferee taking an assignment of the Agreement, and agreeing to be bound by it;
3. The Owner, or a successor in title to the Owner, has not allowed the property taxes for the Parcel to go into arrears or to become delinquent;
4. The Exempt Use (as defined in the Agreement) of the Project is not discontinued.

If any of these conditions are not met then the Council of the City of Kelowna may cancel this Revitalization Tax Exemption Certificate. If such cancellation occurs, the Owner of the Parcel, or a successor in title to the Owner as the case may be, shall remit to the City an amount equal to the value of the exemption received after the date of the cancellation of the certificate.

Plans and Specifications for the Project



Appendix "D" to Tax Exemption Revitalization Agreement

Performance Criteria for the Project

- A) Addition of over 8,000.00 square feet of new office space;
- B) Construction value will exceed one million dollars;
- C) Development is consistent with the OCP future land use designation;
- D) Provision of 12 parking stalls
- E) Provision of 6 Class 1 bike stalls and 4 Class 2 bike stalls
- F) Provision of outdoor patio seating
- G) Construction of green roof on existing building

Bertram Elevation Material Examples

Parkade Screening Elements



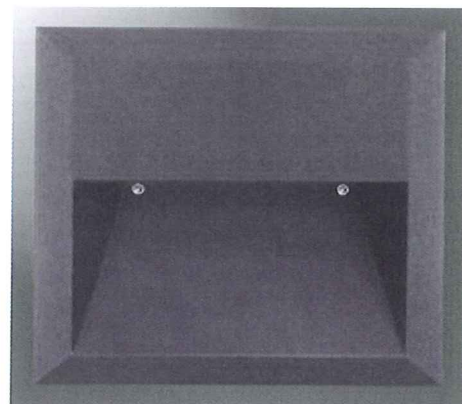
Architectural Concrete Example



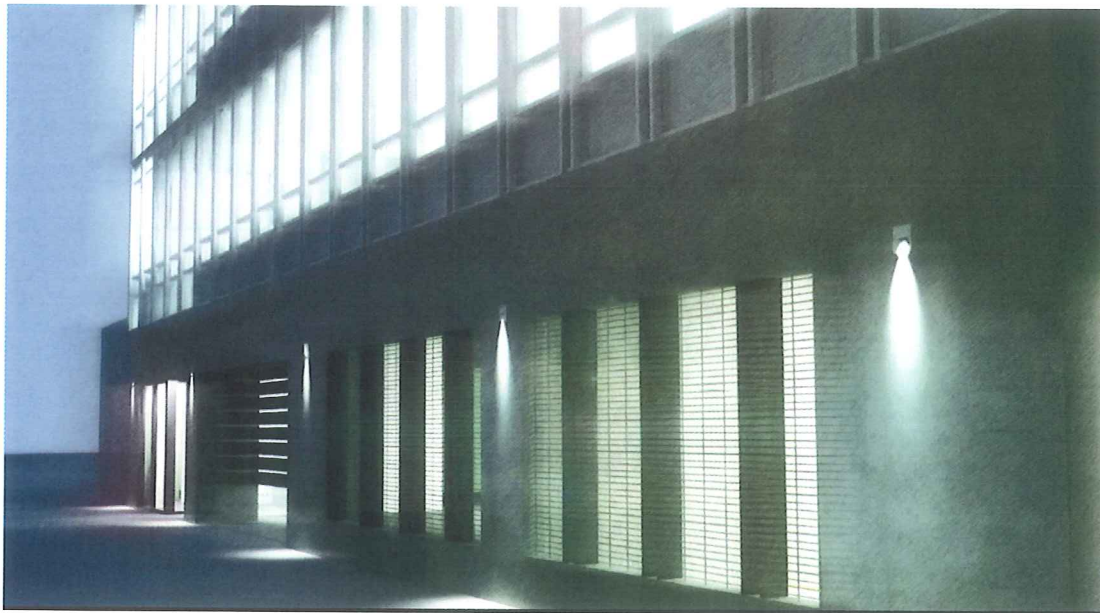
Overhead Parkade Gate Concept Detail



Inset Lighting



Night Rendering of Bertram Elevation Showing Lighting and Screening Elements



REPORT TO COUNCIL



Date: September 20, 2013

RIM No. 1250-30

To: City Manager

From: Urban Planning, Community Planning and Real Estate (PM)

Application: Z10-0091 **Owner:** D & S Schulz Enterprises Ltd
Inc No BC0837184

Address: 196 Cariboo Road **Applicant:** D & S Schulz Enterprises Ltd
Inc No BC0837184

Subject: Rezoning Application, Extension Request

Existing Zone: RR3 - Rural Residential 3

Proposed Zone: RU6 - Two Dwelling Housing
RU1- Large Lot Housing

1.0 Recommendation

THAT in accordance with Development Application Procedures Bylaw No. 10540, the deadline for the adoption of Zone Amending Bylaw No. 10513, for Lot H, Section 4, Township 23, Osoyoos Division Yale District, Plan 20088 located on 196 Cariboo Road, Kelowna, BC, be extended from October 19, 2013 to October 19, 2014.

AND THAT this is the final extension for this project.

2.0 Purpose

To consider a final extension to facilitate the rezoning of the subject property from the RR3 - Rural Residential 3 zone to the RU6 - Two Dwelling Housing and RU1- Large Lot Housing zones to facilitate subdivision into two lots.

3.0 Land Use Management

Section 2.12.1 of Procedure Bylaw No. 10540 states that:

In the event that an application made pursuant to this bylaw is one (1) year old or older and has been inactive for a period of six (6) months or greater:

- a) The application will be deemed to be abandoned and the applicant will be notified in writing that the file will be closed;
- b) Any bylaw that has not received final adoption will be of no force and effect;

c) In the case of an amendment application, the City Clerk will place on the agenda of a meeting of **Council** a motion to rescind all readings of the bylaw associated with that Amendment application.

Section 2.12.2 of the Procedure Bylaw makes provision that upon written request by the applicant prior to the lapse of the application, **Council** may extend the deadline for a period of twelve (12) months by passing a resolution to that affect.

By-Law No. 10513 received second and third readings on April 19, 2011 after the Public Hearing held on the same date. The applicant wishes to have this application remain open for an additional twelve (12) months in order to consider all options for the project. As there has been no recent file activity in regards to rezoning a portion of the subject property to the RU6 - Two Dwelling Housing zone to allow the development of a duplex and to rezone the remainder of the property to the RU1 - Large Lot Housing zone to allow the existing dwelling to remain, it is logical that this be considered the final extension.

Report prepared by:

Paul McVey, Planner
Urban Planning
Community Planning & Real Estate

/dc

Reviewed by:

☐

Danielle Noble-Brandt, Manager, Urban Planning

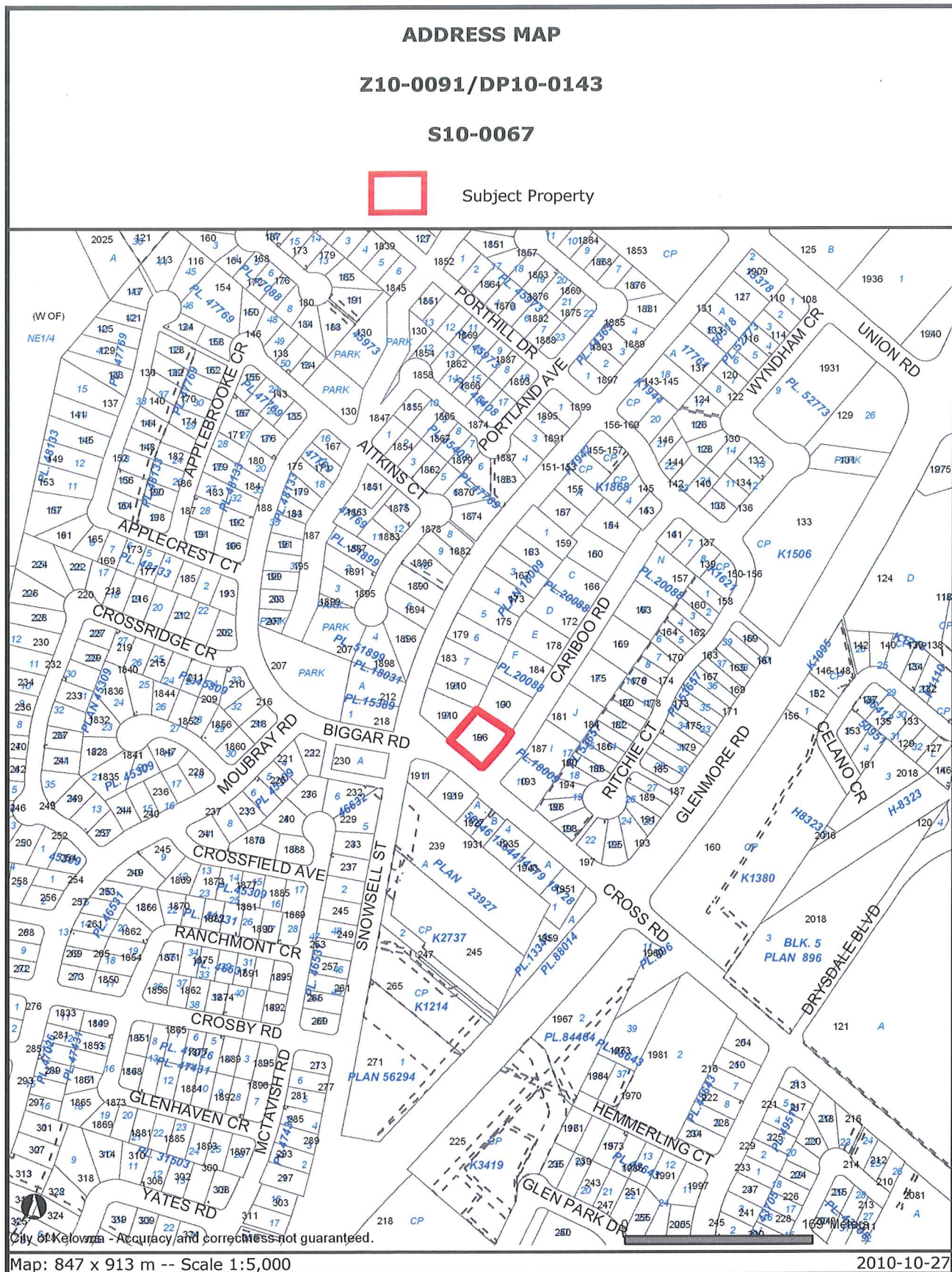
Approved for Inclusion

☐

Doug Gilchrist, Divisional Director, Community Planning
and Real Estate

Attachments:

Site Plan



Certain layers such as lots, zoning and dp areas are updated bi-weekly. This map is for general information only.
The City of Kelowna does not guarantee its accuracy. All information should be verified.

REPORT TO COUNCIL



Date: September 20, 2013

RIM No. 1250-30

To: City Manager

From: Urban Planning, Community Planning and Real Estate (AW)

Application: Z12-0046 **Owner:** 564913 BC Ltd,
Inc No 564913

Address: 1350 St Paul Street **Applicant:** Joseph Higgins

Subject: Rezoning Application, Extension Request

Existing Zone: I2 - General Industrial

Proposed Zone: C7 - Central Business Commercial

1.0 Recommendation

THAT in accordance with Development Application Procedures Bylaw No. 10540, the deadline for the adoption of Zone Amending Bylaw No. 10757, for Lot 1, D.L. 139, ODYD, Plan KAP68461 located on 1350 St Paul Street, Kelowna, BC, be extended from October 2, 2013 to October 2, 2014.

2.0 Purpose

To consider a final extension to facilitate the rezoning of the subject property from the I2 - General Industrial zone to the C7 - Central Business Commercial zone in order to either formalize the use of the subject property as a surface parking lot or to allow the applicant time to pursue a potential development opportunity for the property.

3.0 Land Use Management

Section 2.12.1 of Procedure Bylaw No. 10540 states that:

In the event that an application made pursuant to this bylaw is one (1) year old or older and has been inactive for a period of six (6) months or greater:

- a) The application will be deemed to be abandoned and the applicant will be notified in writing that the file will be closed;
- b) Any bylaw that has not received final adoption will be of no force and effect;

c) In the case of an amendment application, the City Clerk will place on the agenda of a meeting of **Council** a motion to rescind all readings of the bylaw associated with that Amendment application.

Section 2.12.2 of the Procedure Bylaw makes provision that upon written request by the applicant prior to the lapse of the application, **Council** may extend the deadline for a period of twelve (12) months by passing a resolution to that affect.

By-Law No. 10757 received second and third readings on October 2, 2012 after the Public Hearing held on the same date. The applicant wishes to have this application remain open for an additional twelve (12) months in order to consider all options for the project. As noted in the applicant's letter, the plan is to either come forward with a potential development concept or finalize the outstanding servicing requirements and formalize the property as a surface parking lot. Staff would be supportive of both options and believe that it is appropriate for the applicant to be provided with an additional year to explore the feasibility of both options.

Report prepared by:

Alec Warrender, Planner
Urban Planning
Community Planning and Real Estate

/dc

Reviewed by:

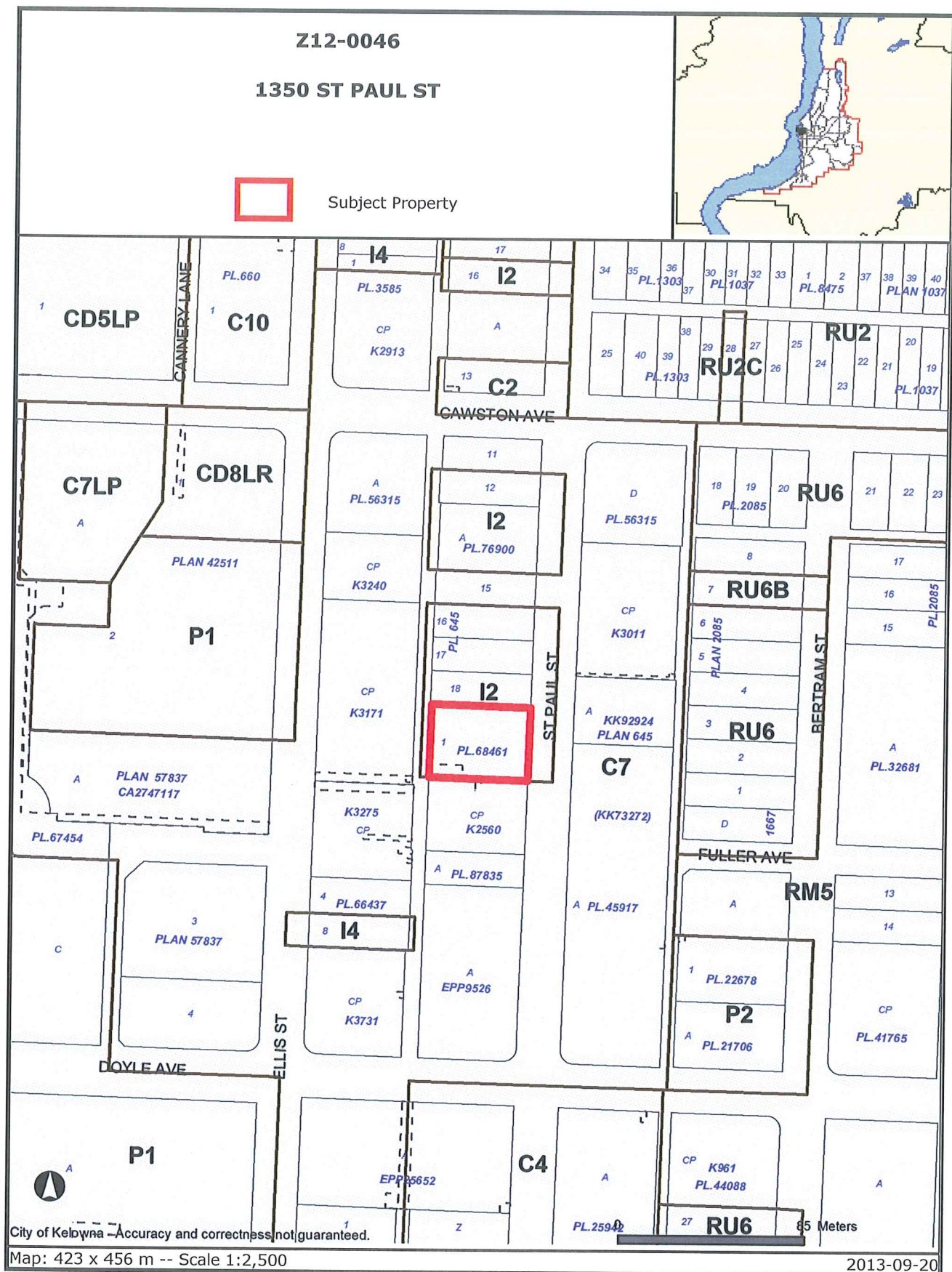
☐ Danielle Noble-Brandt, Manager, Urban Planning

Approved for Inclusion

☐ Doug Gilchrist, Divisional Director, Community Planning
and Real Estate

Attachments:

Site Plan



Certain layers such as lots, zoning and dp areas are updated bi-weekly. This map is for general information only.
The City of Kelowna does not guarantee its accuracy. All information should be verified.

September 18, 2013

To: City of Kelowna
Community Planning and Real Estate

Attention: Alec Warrender

Re: Application Z12-0046 - Request for Extension
1350 St. Paul Rezoning Application (Bylaw #10757)

Dear Alec:

Further to your letter of August 26, 2013, and subsequent email correspondence, please find attached our application for extension, the current state of title of the property, and a cheque for \$150.00.


As you have indicated, you require further information on the status of our application, and our plans for this property should Council grant us a 12 month extension to take the bylaw amendment to fourth reading for adoption by Council.

At the present time, we have a potential sale pending on the property. We expect to hear whether the sale will proceed within the next few weeks. If the sale proceeds, then completion of the necessary steps toward fourth reading and adoption of the bylaw will proceed right away, as the potential purchaser would be constructing a commercial office building.

In the event that this sale falls through, it is our intention to work through the necessary steps (for example the traffic impact study) and proceed to complete the rezoning so that we will be ready for potential development or sale of the property in the future.

We appreciate the opportunity of requesting this one year extension, and hope that Council will look favourably on this application. Please let me know if you require further information.

Sincerely,



Joseph Higgins
President - 564913 BC Ltd.

REPORT TO COUNCIL



Date: September 30, 2013

File: 1325-20

To: City Manager

From: Manager, Building Services

Subject: Update: FortisBC Alternative Energy Services Inc. (FAES) - Kelowna District Energy System (KDES).

Recommendation:

THAT Council receives, for information, the report from the Manager Building Services dated September 30, 2013 with respect to the proposed FortisBC Alternative Energy Services (FAES) Definitive Operating Agreement - Kelowna District Energy System (KDES).

AND THAT Council authorizes the Mayor and City Clerk to execute the Definitive Operating Agreement and Supplementary Permitting & Fee Agreement, as attached to the report of the Manager, Building Services dated September 30, 2013, between the City and Fortis Alternative Energy Services regarding the establishment of a District Energy system in downtown Kelowna.

Purpose:

To advise Council on the elements in the proposed "Definitive Operating Agreement" for District Energy System Downtown Kelowna (attachment 1), the "Supplementary Permitting & Fee Agreement" (attachment 2), the benefits for the City as a customer and supporter of District Energy and an overview from FAES on the British Columbia Utilities Commission (BCUC) process and business case used to support of the application for a Certificate of Public Convenience and Necessity (CPCN).

Background:

Memorandum Of Understandings: The MOU with FAES (formally Fortis BC Energy Services FEI) for District Energy was approved by Council in the August of 2010 for renewal on March 5, 2012 for a term ending on November 30, 2012.

District Energy: In 2010 pre-feasibility studies were completed by the Community Energy Association to establish baseline data and identify areas compatible for district energy. The benefits of district energy, options for ownership and potential timelines for future implementation were also explored. In 2010 staff proposed a more detailed feasibility study to determine if there was a business case for implementation. FAES working through the MOU established in August 2010 has determined that the Kelowna City Center - Urban Center area is viable in the near term and that the Pandosy Center area may be feasible in the future. FAES has established a potential customer base for the downtown area, including the City, assuming the City participates by signing a further agreement with FAES which has not yet occurred and is not part of this report, for a phase 1 project which would see a \$24 million capital investment by FAES.

Interim Contract: An "Interim Agreement" for the Provision of District Energy between the City of Kelowna and FAES was approved by Council on May 6, 2012 and was subsequently executed forthwith. Following execution of the "Interim Agreement" FAES made application to the British Columbia Utility Commission (BCUC) for a Certificate of Public Convenience and Necessity (CPCN). Due to requests from the BCUC for additional information, the approval process was delayed which required an amendment to extend the term of the "Interim Agreement" from November 30, 2012 through December 31, 2013. Council approved this amendment on December 17, 2012.

BCUC Approval: On July 26, 2013, FAES received a decision from the BCUC approving the CPCN for the KDES as proposed in their application to construct and operate the KDES, on a non-exclusive basis, in the Service Territory as described in the application (attachment 3: KDES Area map). A key reason for the approval is the panel finds the KDES project is supportive of both the Province's and the City of Kelowna's greenhouse gas emissions reduction goals.

Definitive Agreement: In anticipation of approval of the KDES from the BCUC, the City and FAES have been negotiating towards a "Definitive Agreement" since January 24, 2013. Conditions and terms which form the basis of the "Definitive Agreement" will include: Installation and Ownership, Access to and Use of City Property, Royalty Fee, Tax and/or Carbon Credits, Term and approvals.

As of September 20, 2013, agreement was reached on the Terms and Conditions to be included in a "Definitive Agreement" between the City of Kelowna and FAES. The City's legal council have reviewed the agreement and have confirmed the terms and conditions are in the interest of the City and the Definitive Agreement is ready to be brought before Council with a recommendation for approval at the earliest date.

The City and FAES have also negotiated an additional supplementary letter agreement in which FAES has agreed to pay the City permitting fees for Road Usage, Hydrant Use (up to \$15,000) and \$60,000 for Development Engineering review costs in relation to the initial construction phase or First Build as defined in the Definitive Agreement.

Benefits for Kelowna: In addition to a royalty of three percent of the total net revenue FAES receives for the thermal energy derived from the piped District Energy system, construction and engineering permit fees, there are carbon and energy reductions for the City Corporation and the community that will be realized. District Energy is 20-25 percent more efficient than natural gas therefore less gas (fossil fuel) will be used in City of Kelowna and other facilities and less carbon emitted. District Energy is a recognized secure energy source. The KDES will rely on the excess flue gas heat from Tolko. In the event that Tolko is decommissioned in the future, biomass or natural gas in a cogeneration facility could be installed by FAES as a longer range sustainable solution.

City Obligations: Once the BCUC has provided FAES with an approved rate design formula and rate structure, Council will then be asked to consider and approve Thermal Energy Service Agreements for Cityhall, Kelowna Library, Memorial Arena and the planned RCMP facility to be located on Cawston Ave. Those agreements have not been reviewed at this point. Council is not committing to enter those agreements at this time and Council is not committing in any way to enter into those agreements by approving the Definitive Agreement. The Thermal Energy Service Agreements will need to be shown to be in the interest of the City independent of the Definitive Agreements.

Internal Circulation:

Divisional Director, Communications & Information Services
Divisional Director, Infrastructure

Director, Finance Services
Director, Real Estate and Property Services
Manager, Development Engineering

Legal/Statutory Procedural Requirements:

All contracts that Council approvals require approval by the BC Utilities Commission

Existing Policy:

OCP 2030 Objective 7.19 Ensure efficient, sustainable and context sensitive implementation of utilities.

Policy .1 District Energy System

“Where a district energy system is in place or is planned, implement a Service Area Bylaw to ensure new buildings in the service area are ready for connection to the district energy system”.

Financial/Budgetary Considerations:

The net present royalty revenue value for the City for the 20 year contract, with an option to renew for 2 additional terms of 5 years, is in the order of \$2.2 million and is typically deposited in the general revenue account.

External Agency/Public Comments:

1. District Energy. Consultation occurred through the pre-feasibility process in 2010 and again through the 2030 OCP adoption that includes District Energy policy. District Energy was also part of the downtown plan process and FAES also had consultation with all potential businesses in an open meeting (Nov. 2011).

Considerations not applicable to this report:

Legal/Statutory Authority:
Personnel Implications
Communications Comments
Alternate Recommendation

Submitted by:

M. Johansen, Manager, Building Services

Approved for inclusion:



J. Creron, Divisional Director, Civic Operations

Attachments:

- Attachment 1: Definitive Operating Agreement
- Attachment 2: Supplementary Permitting & Fee Agreement
- Attachment 2: KDES Area Map

CC: Divisional Director, Community Planning & Real Estate
Director, Design and Construction Services
Director, Development Services
Supervisor, Utilities Construction

OPERATING AGREEMENT

THIS OPERATING AGREEMENT (the “Agreement”) made this _____ day of _____, 2013

BETWEEN:

THE CITY OF KELOWNA

1435 Water Street
Kelowna, BC V1Y 1J4

(hereinafter called the “City”)

OF THE FIRST PART

AND:

FORTISBC ALTERNATIVE ENERGY SERVICES INC.

3700-2nd Avenue
Burnaby, BC V5C 6S4

(hereinafter called “FAES”)

OF THE SECOND PART

RECITALS:

- A. Whereas by a certificate of public convenience and necessity (CPCN), FAES was granted the right to construct and operate a district energy system within the Municipality;
- B. And whereas FAES and the Municipality are the parties to an Interim Agreement dated the 1st day of May, 2012 for provision of district energy services;
- C. And whereas FAES and the Municipality wish to enter into this Agreement to clarify and settle the terms and conditions under which FAES shall exercise its rights to use Public Places in conducting its business of distributing energy within the Municipality.

NOW THEREFORE THIS AGREEMENT WITNESSES that the parties covenant and agree as follows:

1. DEFINITIONS

For the purposes of this Agreement:

- a) “Boundary Limits” means the boundary limits of the Municipality as they exist from time to time and that determine the area over which the Municipality has control and authority;

- b) “BCUC” means the British Columbia Utilities Commission or successor having regulatory jurisdiction over district energy utilities in British Columbia;
- c) “CPCN” means a Certificate of Public Convenience and Necessity granted by the BCUC which allows FAES to operate, maintain and install Company Facilities for the distribution of thermal energy within the Municipality;
- d) “Company Facilities” means FAES’ facilities, including pipes, underground structures, valves, signage, machinery, vehicles and other equipment used to maintain, operate, renew, repair, construct and monitor a district energy system and, with prior written consent of the Municipality, Company Facilities may include buildings, storage facilities, and overground structures;
- e) “FAES Employees” means personnel employed by or engaged by FAES including officers, employees, directors, contractors, and agents;
- f) “First Build” means the first phase of construction of the district energy system by FAES in the Municipality as shown in the circled area on Schedule A to this Agreement;
- g) “Highway” means street, road, lane, bridge or viaduct controlled by the Municipality;
- h) “Municipal Employees” means personnel employed by or engaged by the municipality, including officers, employees, directors, contractors and agents;
- i) “Municipal Facilities” means any facilities, including highways, sidewalks, conduits, manholes, equipment, machinery, pipes, wires, valves, buildings, structures, signage, bridges, viaducts and other equipment within the Public Places used by the Municipality for the purposes of its public works or municipal operations;
- j) “Municipal Supervisor” means the Municipal Engineer or other such person designated by the Municipality to receive notices and issue approval as set out in this Agreement;
- k) “New Work” means, other than the First Build, any installation, construction, repair, maintenance, alteration, extension or removal work of the Company Facilities in Public Places except:
 - i) routine maintenance and repair of the Company Facilities that does not involve any cutting of asphalted road surface;
 - ii) emergency work;

but notwithstanding such exceptions, New Work shall include any installation, construction or removal of the Company Facilities in Public Places that are planned to disturb underground Municipal Facilities;

- l) “Planned Facilities” means those facilities not yet constructed but which have been identified by way of documented plans for the works of the Municipality, for works of third parties, where such works are identified by documented plans approved by the Municipality, or for works of FAES submitted to the Municipality subject to Municipal approval;
- m) “Public Places” means any public thoroughfare, highway, road, street, lane, alley, trail, right of way, viaduct, subway, watercourse or other public place in the Municipality over which the Municipality has sufficient relevant jurisdiction and interest, and without limitation subject to any applicable trusts; and
- n) “Utilities” means the facilities or operations of any water, waste water, sewer, telecommunications, energy, cable service or similar service provider located in Public Places within the Municipality.

2. INTERPRETATION

For the purposes of interpreting this Agreement:

- a) the headings are for convenience only and are not intended as a guide to interpretation of this Agreement;
- b) words in the singular include the plural, words importing a corporate entity include individuals, and vice versa;
- c) in calculating time where the agreement refers to “at least” or “not less than” a number of days, weeks, months or years, the first and last days must be excluded and where the agreement refers to “at least” or “not less than” a number of days, Saturdays, Sundays and holidays must be excluded;
- d) the word “including”, when following any general term or statement, is not to be construed as limiting the general term or statement to the specific items or matters, but rather as permitting the general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement.

3. OBLIGATION TO ACT IN GOOD FAITH

FAES and the Municipality acknowledge and agree that they will act in good faith, in carrying out the terms and conditions of this Agreement and within reasonable time frames, carry out the obligations under this Agreement.

FAES and the Municipality will at all times carry out all work and operations with the due care and attention that is necessary to safeguard the interests of the public, their own employees, and the other party’s employees.

4. FAES RIGHTS TO ACCESS & USE PUBLIC PLACES

The Municipality hereby acknowledges FAES' rights to:

- a) develop, construct, install, maintain or remove Company Facilities on, over, in and under Public Places in the Municipality;
- b) enter on Public Places from time to time as may be reasonably necessary for the purpose of maintaining, repairing, or operating the Company's Facilities;

subject to terms and conditions defined in this Agreement.

5. FAES COMPLIANCE WITH STANDARDS FOR USE OF PUBLIC PLACES

5.1 Non-discriminatory Standards for FAES

In its use of Public Places, FAES shall comply with all Federal and Provincial laws, regulations and codes and shall comply with all Municipal bylaws, standards and policies except that FAES shall not have to comply with such Municipal bylaws, standards and policies that:

- a) conflict with terms of this Agreement or limit any rights or concessions granted to FAES by the Municipality under this Agreement; or
- b) conflict with other legislation governing FAES.

Further, where the Municipality has established requirements and standards for work in Public Places, the Municipality shall apply them in a fair, reasonable and non-discriminatory manner consistent with the manner that the Municipality establishes requirements on other Utilities.

5.2 Provide emergency contacts.

FAES will provide the Municipality with a 24 hour emergency contact number which the Municipality will use to notify FAES of emergencies including: third party accidents around work sites, and other potentially hazardous situations.

5.3 Assist with facility locates

FAES will, at no cost to the Municipality, provide locations of its Company Facilities within a time frame as may be reasonably requested by the Municipality in accordance with Workers' Compensation Act and its regulations unless the reason for the request is the result of an emergency: in which case the information shall be provided forthwith.

6. FAES WORK OBLIGATIONS

6.1 Notices - General Requirements

6.1.1. Notice to First Build

The Municipality approves the location of the First Build as shown on the Preliminary For Review Only Design Drawings attached as Schedule A to this Agreement. FortisBC and the Municipality shall work collaboratively to establish reasonable time frames for the review and approval of detailed construction plans of the First Build by the Municipality before FortisBC commences construction of the First Build.

6.1.2. Notice for New Work

It is recognized that the Municipality has responsibility to coordinate all uses of streets and Public Places and sufficient time will be given to enable the Municipality to meet these responsibilities, acting reasonably, to enable the scheduling and sequencing of new Company Facilities. For New Work, FAES shall give notice to the Municipality or such officer or official thereof who has been designated from time to time by the Municipality that it intends to perform such New Work. The Notice shall include:

- a) a plan and specifications showing the proposed location and dimensions of the New Work;
- b) FAES' plans for the restoration of the Public Place affected by the New Work if FAES' restoration plans are different from those set out in Section 6.4.2 of this Agreement;
- c) the name of a FAES representative who may be contacted for more information;
- d) projected commencement and completion dates; and
- e) such other information relevant to the New Work as the Municipality may reasonably request from time to time.

6.1.3. Exception for Emergency

Where FAES is required to carry out work urgently in the interests of public safety or health or to preserve the safety of property and Company Facilities, FAES shall not be required to give prior notice but shall do so as soon as possible thereafter.

6.1.4. Municipal Approval for New Work

The Municipality may object to the New Work on the following grounds:

- a) the proposed location of the New Work conflicts or interferes with existing Municipal Facilities, existing third party facilities or Planned Facilities; or
- b) the proposed location or design of the New Work is likely to compromise public safety, cause cost or risk to the Municipality or does not conform with Municipal bylaws, standards or policies; or
- c) the Municipality intends within the next 3 months to undertake work in the same location and wishes to co-ordinate both work;

by providing FAES with notice of its objections, provided such objections are reasonable, no more than 30 days after receiving FAES' notice of New Work. If the Municipality has not provided such notice of its objections to FAES, or in the case of large and complex New Work, the Municipality has not provided FAES with a notice to extend the time to reply to FAES until a stated time, FAES shall remind the Municipality of FAES' notice of New Work. If, after five (5) days of FAES' reminder, the Municipality has not responded to FAES' notice of New Work, the Municipality shall be deemed to have granted its approval of the New Work. The Municipality shall not otherwise withhold or delay its approval unreasonably.

In addition, the Municipality may request FAES to provide the public with notice of the New Work.

6.1.5. Location of New Work

The Municipality acknowledges that, as of the date of entry into this Agreement, and without excusing FAES' compliance with Section 6.1.2 of this Agreement and the Municipality's rights to object pursuant to Section 6.1.4, the Municipality has not identified any objections to the location of the planned New Work shown as a solid pink line on Schedule A to this Agreement.

6.1.6. Work Not to Proceed

If the Municipality has notified FAES of its objections or has requested a time extension, no more than 10 days after receiving FAES' notice of New Work, FAES shall not proceed with the New Work until FAES and the Municipality have agreed upon a resolution to the Municipality's objections. If the Municipality and FAES are unable to agree, then the matter shall be resolved in accordance with Section 17 (Resolution of Disputes).

6.2 FAES to Obtain Locate Information

Prior to conducting any New Work, FAES shall locate other Utilities and satisfy itself that it is clear to proceed.

6.3 Work Standards

All work carried out by FAES shall be carried out in accordance with sound engineering practices.

6.3.1. Specific Work Requirements Remove Materials

FAES shall keep its work sites safe, a clean and tidy in accordance with Municipal Standards. FAES shall remove all rubbish and surplus material from Public Places upon completion of its work.

The Company shall not leave any part of its district energy system in such a state as to constitute a nuisance or a danger to the public through neglect, non-use and want or repair.

6.3.2. Restore Surface and Subsurface

Where FAES has performed any operations or New Work in a Public Place, FAES shall restore without unreasonable delay and return such Public Place, as much as reasonably practical, to the condition and use which existed prior to such activity to the reasonable satisfaction of the Municipality. The restoration will be in accordance with the specifications set out by the Municipality. Such specifications may include the degree and nature of compaction, subsurface structure, surface finish and landscaping required.

Without limiting the generality of this section and by way of example only, the Municipality may require FAES to restore asphalt and concrete surfaces with a permanent repair or a temporary repair. Should a temporary repair be directed, FAES or the Municipality at its discretion will subsequently construct a permanent repair in accordance to its usual maintenance/replacement schedule for that area. The cost of permanent and temporary repairs to remediate Highway surfaces will be at the expense of FAES proportional to the surface area affected by the New Work.

Where FAES is required to cut pavement on a Public Place such cuts and restoration will be limited to less than 1.5 meters unless at the discretion of FAES a larger excavation is warranted due to the depth or size of the pipe or requirements of the Workers' Compensation Board or other relevant Provincial or Federal regulations. FAES will be responsible for any repairs and maintenance of the surface repair for a period of three (3) years. However, where pavement restoration has been conducted by the Municipality, whether or not such work was undertaken to repair cuts on FAES' behalf, FAES shall not be responsible for the repairs or maintenance of the surface repair.

6.3.3. Repair Damage to Municipal Facilities

To the extent that any of the work being done by FAES results in damage to Municipal Facilities or Public Places, other than the usual physical disruption to Public Places caused by the installation of Company Facilities that FAES shall restore in accordance

with Section 6.3.2 above, FAES will, forthwith, report such damage and reimburse the Municipality for its costs arising from such damage calculated in accordance with Section 14.1 below. Where such damage results directly from inaccurate or incomplete information supplied by Municipality, and FAES has complied with all applicable laws and regulations, and with instructions supplied by the Municipality, then the cost of repairing damaged Municipal Facilities or Public Places will be at the expense of the Municipality.

6.4 Conformity Requirement

The New Work must be carried out in conformity with FAES' notice of New Work except that FAES may make in-field design changes when carrying out the New Work to accommodate field conditions which could not have been reasonably foreseen by FAES. If such in-field conditions materially impact FAES' plans for restoration or materially change the impact of FAES' work on Municipal Facilities, other than in respect of projected commencement and completion dates, FAES shall notify the Municipality of the changes and the reasons for them as soon as reasonably possible.

6.5 Non-Compliance

If Company Facilities located in Public Places are later found not to be located in compliance with FAES' notice of New Work provided in accordance with Section 6.1 and 6.4, then any alteration or upgrading required to bring them into compliance with such notice will be at the expense of FAES provided that the work has not been altered, damaged or modified by the Municipality or a third party.

7. COMPANY FACILITY CHANGES REQUIRED BY THE MUNICIPALITY

7.1 Notice of Closure of Public Places

Before any Public Places containing Company Facilities may be legally closed or alienated by the Municipality, the Municipality shall as soon as reasonably possible notify FAES of its intent to close or alienate such Public Places and either:

- a) grant FAES a registered statutory right of way in a form satisfactory to FAES so as to maintain FAES' right to use the land; or
- b) request FAES to remove and (if possible and practicable) relocate those Company Facilities affected by such closure or alienation at the sole cost of the Municipality.

If the Public Places are expropriated by an expropriating authority and FAES is required to remove the Company Facilities then the Municipality shall as soon as reasonably possible notify FAES of the expropriation. This provision is applicable when the Municipality receives official notice of expropriation or otherwise becomes aware of expropriation through communications with the expropriating authority.

8. FACILITY CHANGES REQUIRED

8.1 By FAES

FAES may provide Notice to the Municipality that it requires Municipal Facilities to be altered, changed or relocated to accommodate its requirements. The Municipality will comply with FAES' requests to the extent it is reasonably able to do so and with reasonable speed and dispatch after receipt of written request. FAES agrees to pay for all of the costs for changes to the affected Municipal Facilities.

8.2 By the Municipality

The Municipality may provide Notice to FAES that it requires Company Facilities to be altered, changed or relocated to accommodate its requirements. FAES will comply with the Municipality's requests to the extent it is reasonably able to do so and with reasonable speed and dispatch after receipt of written request. The Municipality agrees to pay for all of the costs for changes to the affected Company Facilities.

9. JOINT PLANNING, COOPERATION AND COORDINATION

9.1 Conduct of Construction and Maintenance Activities

The Municipality and FAES agree to use reasonable efforts in carrying out their construction and maintenance activities in a manner that is responsive to the effect that it may have on the other party, as well as other users of Public Places. Such reasonable efforts include attending the planning meetings described in Section 9.2 below and reducing as much as is practical, the obstruction of access to Public Places, and interference with the facilities and activities of others in Public Places. The City may require changes to the maintenance activities, acting reasonably, to mitigate any such interference.

9.2 Communication and Coordination Activities

At the initiation of the Municipality, representatives of the Municipality, FAES and other affected Utilities and third parties will meet each year, prior to the construction season, to discuss the parties' anticipated construction activities for that year. Such discussions will include:

- a) the use of common trenching, common utility access facilities and such other common facilities as may be commercially reasonable and comply with operating and safety standards; and
- b) the consolidation of planned maintenance work where pavement must be cut in order to avoid multiple excavations.

9.3 Municipal Planning Lead

During such annual planning meetings, the Municipality shall lead the planning process for all Utilities and third parties with Planned Facilities in Public Places.

10. MUTUAL INDEMNITY

10.1 Indemnity by FAES

10.1.1. FAES indemnifies and protects and saves the Municipality harmless from and against all claims by third parties in respect to loss of life, personal injury (including, in all cases, personal discomfort and illness), loss or damage to property caused by FAES in:

- a) placing, constructing, renewing, altering, repairing, maintaining, removing, extending, operating or using the Company's Facilities on or under any Public Places;
- b) any breach of this Agreement by FAES;

except to the extent contributed by negligence or default of the Municipality or the Municipal Employees. For greater certainty, the Municipality disclaims any and all liability resulting from a drawing, plan or other document provided to FAES by the Municipality that inaccurately indicates or omits to indicate the location of Company Facilities or third party Utilities.

10.1.2. This indemnity expressly extends to all acts and omissions of FAES Employees while acting within the scope of their respective employment.

10.2 Indemnity by the Municipality

10.2.1. The Municipality indemnifies and protects and saves FAES harmless from and against all claims by third parties in respect to loss of life, personal injury (including, in all cases, personal discomfort and illness), loss or damage to property to the extent caused by the Municipality in:

- a) placing, constructing, renewing, altering, repairing, maintaining, removing, extending, operating or using the Municipal Facilities on or under any Public Places;
- b) any breach of this Agreement by the Municipality;

except to the extent contributed by the negligence or default of FAES or FAES Employees.

10.2.2. This indemnity expressly extends to all acts and omissions of Municipal Employees while acting within the scope of their respective employment.

10.3 Limitations on Municipality's Liability

All property of FAES kept or stored on the Public Places will be kept or stored at the risk of FAES. For further certainty, FAES acknowledges that the Municipality has made no representations or warranties as to the state of repair or the suitability of the Public Places for any business, activity or purpose whatsoever. FAES accepts its use of Public Places on an "as is" basis.

11. OPERATING FEE

11.1 Fee Calculation

11.1.1. FAES agrees to pay to the Municipality an annual fee equal to three percent (3%) of the amount received by FAES for energy consumed through the operation of the Company Facilities within the boundary limits of the Municipality for the immediately preceding calendar year less the amount of any fees paid by FortisBC Energy Inc. to the Municipality under any other agreement(s) for natural gas consumed with respect to the operation of the Company Facilities including as a back-up or ancillary energy source.

11.1.2. The Municipality will provide FAES with thirty (30) days prior written notice of any boundary expansion so that existing and new customers in the expanded area can be included as a part of the annual payment fee.

11.1.3. FAES will be responsible for adding those existing and new customers within the new Municipal boundary upon receipt of such notice from the Municipality and the revised calculation of the fee will commence effective the date that is the later of the date of actual boundary change or thirty (30) days after the notification under section 11.1.2.

11.2 Payment Date and Period

Payments by FAES to the Municipality will be made on the first day of March of each year of the Agreement in respect of the amount received by FAES during that portion of the term of this Agreement which is in the immediately preceding calendar year. By way of example only, payment made on March 1, 2014 will be the amount received during the 2013 calendar year.

11.3 BCUC Decision or Provincial Legislation

In the event that a decision by the BCUC, other than periodic rate changes as a result of commodity, delivery or margin increases or decreases, or new legislation by the Provincial Government, impacts the operating fee being paid to the Municipality so as to increase it or decrease it by more than 5% annually at the time of the decision or in subsequent years, the parties shall negotiate a new operating fee formula which best reflects the revenue stream received by the Municipality under this Agreement.

12. OTHER APPROVALS, PERMITS OR LICENSES

Except as specifically provided in this Agreement, the Municipality will not require FAES to seek or obtain approvals, permits or licenses. In consideration for the annual operating fee payable to Section 11, and except as otherwise agreed by the parties from time to time, the Municipality will not charge or levy against FAES any approval, license, inspection or permit fee, or charge of any other type, that in any manner is related to or associated with FAES constructing, installing, renewing, altering, repairing, maintaining or operating Company Facilities on any Public Places or in any manner related to or associated with FAES exercising the powers and rights granted to it by this Agreement (other than for repair of damage to the Municipal Facilities or Public Places in accordance with Section 14).

If the Municipality does charge or levy fees or costs against FAES (other than for repair of damage to the Municipal Facilities or Public Places in accordance with Section 14) then FAES may reduce the annual operating fee payable to the Municipality under Section 11 by an amount equal to such charges, fees or costs or in the event no annual operating fee is payable, FAES will not be required to pay such charges or fees or costs.

13. MUNICIPAL OBLIGATIONS

13.1 Municipal Work

13.1.1. Before the Municipality undertakes any construction or maintenance activity which is likely to affect a part of the Company Facilities, excluding routine maintenance and repair that does not involve any cutting of asphalted road surface, it must give FAES notice not less than 10 days before commencing such construction or maintenance activity.

Before the Municipality undertakes routine maintenance and repair that does not involve any cutting of asphalted road surface and is likely to affect Company Facilities, it must give FAES notice not less than 3 days before commencing such construction or maintenance activity.

13.1.2. Where the Municipality is required to carry out work urgently in the interests of public safety or health or to preserve the safety of property and Municipal Facilities, the Municipality shall not be required to give prior notice but shall do so as soon as possible thereafter.

13.1.3. FAES will be entitled to appoint at its cost a representative to inspect any construction or maintenance activity undertaken by the Municipality. The provisions of this section do not relieve the Municipality of its responsibilities under the BC Workers' Compensation Board.

13.1.4. The Municipality shall notify FAES of any new bylaws, standards or policies adopted or passed by the Municipality that are likely to affect FAES' operations in Public Places.

14. COSTS AND PAYMENT PROCEDURES

14.1 Definition of Costs

Wherever one party is required to pay the other party Costs as a result of damage caused by one party to the other's property, the Costs shall be:

- a) all direct expenses and disbursements incurred to restore such property to as good a state of repair as had existed prior to the damage;
- b) reasonable administration and overhead charges on labour, equipment and materials;
- c) such taxes as may be required in the appropriate jurisdiction and in the case of water, electrical or sewer, cost of supplying alternate service.

14.2 Cost Claim Procedures

14.2.1. Wherever one party is claiming Costs of the other party in regard to any work or issue arising under this Agreement the claiming party shall:

- a) provide an invoice to the other party no later than one year after incurring Costs;
- b) provide detailed descriptions of the cost items;
- c) provide the time period the invoice covers;
- d) provide a minimum of 21 day terms for payment of the invoice; and
- e) provide for late payment interest at the rate consistent with the party's policy for charging for late payments, which rate must be reasonable;

14.2.2. The party claiming Costs shall have no right of set off for these invoices against any amounts otherwise payable to the other party, except to the extent so approved in writing by the other party.

14.3 Cost Verification Procedures

14.3.1. Wherever either party is the recipient of or is claiming Costs and or fees that party may at its own discretion request from the other party:

- a) Certification by an officer or designated representative verifying the calculations and computations of the Costs and or fees; or
- b) An internal review or audit of the calculations and computations of the Costs and or fees, with the internal review or audit to be carried out by a person appointed by the party being asked to provide the review; or

- c) An independent external audit of the calculations and computations of the costs and fees, with the independent external auditor being a Chartered or a Certified General Accountant in British Columbia appointed by the party requesting the external audit;

14.3.2. The costs of this cost verification process shall be borne by the party who is required to supply the information except as otherwise specified providing the frequency of such requests does not exceed once per calendar year. For all future cases which occur in that calendar year, the costs of such further verifications shall be at the expense of the requester.

Where the independent external audit finds and establishes errors representing a variance greater than 2% of the originally calculated value in favour of the party claiming Costs, the costs shall be at the expense of the party supplying the information. Once an error has been verified, payment or refund of the amount found to be in error will be made within 21 days.

15. START, TERMINATION AND CONTINUITY

15.1 Municipal Authority to Enter into Agreement

Prior to entering into this Agreement the Municipality will complete all procedures, obtain all consents and enact and bring into force all resolutions required under the *Community Charter*, and amendments thereto, and all other applicable legislation, to approve and authorize this Agreement.

15.2 Agreement Not Binding Until Approved by BCUC

This Agreement will not come into effect and does not bind the parties until FAES has obtained such approvals of this Agreement, or its terms, as may be required under the *Utilities Commission Act*. Upon executing this Agreement FAES shall make reasonable efforts to fulfill this condition. If this condition is not fulfilled or waived within one (1) year of the date of execution of this Agreement, then the obligation on FAES to make reasonable efforts to fulfill this condition will terminate, and neither party will have any further obligation to the other under this Agreement.

15.3 Termination of Franchise Agreement

If not already terminated or expired, any franchise and operating agreement between the Municipality and FAES is terminated upon the effective date of this Agreement as referred to in Section 15.2 of this Agreement.

15.4 Term of Agreement

This Agreement will have a term of 20 years from the date that it comes into effect unless terminated in accordance with Section 15.5 below.

After the initial term the parties will have the option to renew the term for two (2) independent additional five (5) year terms each commencing the last day of the previous term (a “Renewal Term(s)”) on the same terms and conditions as set out herein, with the exception of this renewal clause unless terminated in accordance with Section 15.5 below.

15.5 Termination of Agreement

15.5.1. This Agreement may be terminated by the Municipality upon the occurrence of any of the following events:

- a) FAES admits its inability to pay its debts generally as they become due or otherwise acknowledges its insolvency;
- b) FAES starts proceedings or takes any action to commence or executes an agreement to authorize its participation in any proceeding:
 - i) seeking to adjudicate it bankrupt or insolvent;
 - ii) seeking liquidation, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws; or
 - iii) seeking the appointment of a receiver, trustee, agent, custodian or other similar official for it or for any substantial part of its assets or if a creditor seeks the appointment of a receiver, trustee, agent, custodian or other similar official for any substantial part of its assets; and such proceeding is not dismissed, discharged, stayed or restrained within 20 days of the Municipality becoming aware of it.

15.5.2. Either party may terminate if other breaches any term, provision, obligation hereunder and such breach, is a material major breach, and has not been cured within sixty (60) days of receipt of Notice of such breach. A Party will not be considered to be in default if such matter is in dispute or has been referred to commercial arbitration. the outcome of which is pending, or is being resolved in good faith compliance with the dispute resolution and arbitration processes of this Agreement.

15.5.3. After the initial twenty (20) year term of this Agreement, either party may terminate this Agreement by giving the other not less than one (1) year’s notice of termination.

15.6 Amendments and Waivers

This Agreement may be amended only by an agreement in writing signed by the parties. No waiver of any provision nor consent to any exception to the terms of this Agreement shall be effective unless in writing and signed by the parties to be bound, and then only to the specific

purpose, extent and instance so provided. No waiver, delay or failure to exercise any rights under this Agreement shall be construed as a continuing waiver of such right or as a waiver of any other right under this Agreement.

The parties agree to meet to discuss the operations of the Agreement within thirty (30) days of either party making the request. Such a meeting will determine whether any amendments are required to this Agreement and the parties shall discuss any proposed amendments with a view to maximizing the benefit of the relationship.

15.7 Negotiations on Termination or Expiry of this Agreement

Upon one party giving Notice to the other of termination of this Agreement, the parties shall negotiate in good faith to enter into a new agreement with respect to the terms and conditions under which FAES may use the Public Places. In the event that such negotiations break down and in the opinion of one or other of the parties acting in good faith that settlement is unlikely, either party may give Notice to the other of its intention to apply to the BCUC to seek resolution of the terms and conditions applicable to FAES' continued operations and construction activities within the Municipality.

15.8 Continuity In The Event No Agreement Is Settled

Upon termination of this Agreement, if a new agreement has not been ratified or if the BCUC has not imposed the terms and conditions under which FAES may use the Public Places, the following provisions will apply:

- a) The Company Facilities within the boundary limits of the Municipality both before and after the date of this Agreement, shall remain FAES' property and shall remain in the Public Places.
- b) The Company Facilities may continue to be used by FAES for the purposes of its business, or removed from Public Places in whole or in part at FAES' sole discretion.
- c) FAES may continue to use Public Places within the Municipality for the purposes of its business. FAES' employees, may enter upon all the Public Places within the Boundary Limits of the Municipality to maintain, operate, install, construct, renew, alter, or place Company Facilities; provided that FAES continues to operate in a manner consistent with the terms and conditions of this Agreement as if the term had been extended except with respect to the payment of the operating fee.
- d) FAES will with the support of the Municipality take such steps necessary to seek BCUC approvals of the extension of terms and conditions including payment of the operating fee under the terminated agreement during negotiations of a new agreement.

- e) Should FAES no longer be authorized or required to pay the operating fee under any Agreement between it and the Municipality or by any order of the BCUC, the Municipality shall be free to apply such approval, permit and licence fees, charges and levies it is legally entitled to collect.

16. ACCOMMODATION OF FUTURE CHANGES

16.1 Outsourcing of Infrastructure Management

In the event that the Municipality assigns the task of infrastructure management to a third party the Municipality will ensure that:

- a) its contracts for such infrastructure management contain provisions that will allow the Municipality to meet its obligations under and to comply with the terms and conditions of this Agreement, and
- b) FAES will accept the appointment of such third party as the Municipality's agent or subcontractor to enable such third party to deal directly with FAES so as to enable the Municipality to comply with the terms, obligations and conditions of this Agreement.

16.2 Changes to the Community Charter

In the event that the provisions of the *Community Charter* or other legislation affecting the rights and powers of municipalities change in such a way as to materially, in the opinion of the Municipality, affect municipal powers in respect to matters dealt with in this Agreement:

- a) the Municipality may within one year of the change coming into effect propose new agreement terms with respect to only those specific changes and FAES agrees to negotiate such terms; and
- b) failing satisfactory resolution of the terms of the Agreement either of the parties may seek resolution through the Dispute Resolution Process, Section 17.

16.3 Changes to the Utilities Commission Act

In the event that the provisions of the *Utilities Commission Act* or other legislation affecting the rights and powers of regulated Utilities change in such a way as to materially, in FAES' opinion, affect FAES' powers in respect to matters dealt with in this Agreement,

- a) FAES may within one year of the change coming into effect propose new agreement terms with respect to only those specific changes and the Municipality agrees to negotiate such terms; and
- b) failing satisfactory resolution either of the parties will seek resolution through the Dispute Resolution Process, Section 17.

17. DISPUTE RESOLUTION

17.1 Mediation

Where any dispute arises out of or in connection with this Agreement, including failure of the parties to reach agreement on any matter arising in connection with this Agreement, the parties agree to try to resolve the dispute by participating in a structured mediation conference with a mediator under the Rules of Procedure for Commercial Mediation of The Canadian Foundation for Dispute Resolution.

17.2 Referral to the BCUC or Arbitration

If the parties fail to resolve the dispute through mediation, the unresolved dispute shall be referred to the BCUC if within its jurisdiction. If the matter is not within the jurisdiction of the BCUC, such unresolved dispute shall be referred to, and finally resolved or determined by arbitration under the Rules of Procedure for Commercial Arbitration of The Canadian Foundation for Dispute Resolution. Unless the parties agree otherwise the arbitration will be conducted by a single arbitrator.

17.3 Additional Rules of Arbitration

The arbitrator shall issue a written award that sets forth the essential findings and conclusions on which the award is based. The arbitrator will allow discovery as required by the *Arbitration Act* of British Columbia in arbitration proceedings.

17.4 Appointment of Arbitrator

If the arbitrator fails to render a decision within thirty (30) days following the final hearing of the arbitration, any party to the arbitration may terminate the appointment of the arbitrator and a new arbitrator shall be appointed in accordance with these provisions. If the parties are unable to agree on an arbitrator or if the appointment of an arbitrator is terminated in the manner provided for above, then any party to Agreement shall be entitled to apply to a judge of the British Columbia Supreme Court to appoint an arbitrator and the arbitrator so appointed shall proceed to determine the matter *mutatis mutandis* in accordance with the provisions of this Section.

17.5 Award of Arbitrator

The arbitrator shall have the authority to award:

- a) money damages;
- b) interest on unpaid amounts from the date due;
- c) specific performance; and
- d) permanent relief.

17.6 Cost of Arbitration

The costs and expenses of the arbitration, but not those incurred by the parties, shall be shared equally, unless the arbitrator determines that a specific party prevailed. In such a case, the non-prevailing party shall pay all costs and expenses of the arbitration, but not those of the prevailing party.

17.7 Continuation of Obligations

The parties will continue to fulfill their respective obligations pursuant to this Agreement during the resolution of any dispute in accordance with this Section 17, provided that, neither party shall proceed with any work or activity or take any further action which is the subject matter of the dispute.

18. GENERAL TERMS & CONDITIONS

18.1 No Liens

FAES will do its best to not allow, suffer or permit any liens to be registered against the Company Facilities located in Public Places as a result of the conduct of FAES. If any such liens are registered, FAES will start action to clear any lien so registered to the Public Place within ten (10) days of being made aware such lien has been registered. FAES will keep the Municipality advised as to the status of the lien on a regular basis. In the event that such liens are not removed within ninety (90) days of the registration of such lien, FAES will pay them in full or post sufficient security to ensure they are discharged from title.

18.2 Corporate Authority

FAES now warrants, represents and acknowledges that:

- a) it has the full right, power and authority to enter into this Agreement;
- b) it is a corporation, duly organized, legally existing and in good standing under the laws of its jurisdiction of incorporation or continuance and is lawfully registered and licensed to do business in British Columbia.

18.3 Representations

Nothing in this Agreement shall be deemed in any way or for any purpose to constitute either party as the legal representative, agent, partner or joint venturer of the other nor shall either party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against, in the name of, or on behalf of the other party.

18.4 Assignments and Enurement

This Agreement and any rights or obligations under it are not assignable by either party, without the prior written consent of the other party hereto, such consent not to be unreasonably withheld. This Agreement shall be binding upon, enure to the benefit of and be enforceable by, the successors and permitted assigns of the parties hereto. The Municipality shall have the right to assign this Agreement as part of any transfer to a successor body established by the Province to assume all or most of the powers of the Municipality.

18.5 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of British Columbia.

18.6 General

This Agreement is subject to the laws of Province of British Columbia and the applicable laws of Canada, and nothing in this Agreement will be deemed to exclude the application of the provisions of such laws, or regulations thereunder.

18.7 Entire Agreement

This Agreement constitutes the entire agreement and understanding of the parties with respect to the subject matter herein contained and supersedes all prior agreements and undertakings with respect thereto.

18.8 Severability

If any provision of this Agreement is held invalid by any court, governmental agency or regulatory body, the other provisions to the extent permitted by law shall remain in full force and effect. To the extent permitted by applicable law, the parties hereby waive any provision of law that renders any provision hereof prohibitive or unenforceable in any respect.

18.9 Force Majeure

Neither party shall be liable to the other for temporary failure to perform hereunder, if such failure is caused by reason of an Act of God, labour dispute, strike, temporary breakdown of facilities, fire, flood, government order or regulations, civil disturbance, non-delivery by program suppliers or others. or any other cause beyond the parties' respective control.

18.10 No Fetter of Discretion

Nothing in this Agreement shall fetter the discretion of the Municipality in any way with the exercise of its legislative and other statutory powers.

The Municipality acknowledges the rights, powers and authority of FAES under the Utilities Commission Act, and nothing in this Agreement fetters or otherwise interferes with or limits, or shall be construed to fetter or otherwise interfere with or limit, the rights, powers and authority of FAES under any statute in force in British Columbia, including, but not limited to, the Utilities Commission Act.

18.11 Notice

Any notice or other written communication required, or permitted to be made or given pursuant to this Agreement (the “Notice”) shall be in writing and shall be deemed to have been validly given if delivered in person or transmitted electronically and acknowledged by the respective parties as follows:

- a) if to the Municipality:

CITY OF KELOWNA
1435 Water Street
Kelowna, BC V1Y 1J4
Attention: _____

- b) If to FAES:

FORTISBC ALTERNATIVE ENERGY SERVICES INC.
3700 2nd Avenue
Burnaby, B.C. V5C 6S4
Attention: Gareth Jones

CITY OF KELOWNA
by its authorized signatories

Authorized Signatory

Authorized Signatory

FORTISBC ALTERNATIVE ENERGY SERVICES INC.
by its authorized signatories

Authorized Signatory

Authorized Signatory



FortisBC Alternative Energy Services Inc.
3700, 2nd Avenue
Burnaby, BC V5C 6S4
Fax: (604) 293-8529
www.fortisbc.com

September 23, 2013

City of Kelowna
1435 Water Street
Kelowna, BC
V1Y 1J4

Attention: [Name/Title]

Dear Sirs/Mesdames:

Re: Operating Agreement (the “Operating Agreement”) between the City of Kelowna (“COK”) and FortisBC Alternative Energy Services Inc. (“FAES”)

FAES and the COK intend to enter into an Operating Agreement with respect the terms under which FAES will place and operate a district energy system (the “DES”) within the streets of the COK.

The purpose of this letter is to document FAES and the COK’s agreement supplementing the understandings already contained in the Operating Agreement.

Section 12 of the Operating Agreement provides that, except as specifically provided in the Operating Agreement, the COK shall not require FAES to obtain any approvals, permits or license in order to construct or operate the DES within the streets and certain other public places of COK. Section 12 also provides that if the COK does charge fees or levy costs against FAES, then FAES may reduce the annual operating fees payable to the COK under Section 11 of the Operating Agreement. Notwithstanding Section 12, FAES and COK have agreed that FBC will pay certain fees, in addition to the operating fee specified in the Operating Agreement, with respect to the construction of the First Build (as the term is defined in the Operating Agreement), in order to compensate COK for its costs for, among other things, use by FAES of the roads and hydrants during construction of the First Build, administration of review of plans for the First Build:

1. \$15,000 fee for combined Road Usage and Hydrant Use.

FAES shall pay the following:

- (a) \$25 per day for hydrant use; and

(b) a \$75 “application” fee and \$25 per day highway/road usage fee during the construction of the First Build,

up to a combined maximum of \$15,000 for the construction of the First Build.

2. \$60,000 fee for Development Engineering review.

In recognition of costs that may be incurred by the COK for review of the detailed construction plans for the First Build (as contemplated by 6.1.1. of the Operating Agreement), FAES shall pay to COK \$60,000 (the “First Build payment”) upon commencement of construction of the First Build, or March 1, 2014, whichever is earlier, provided that, on March 1st of the year following the first full calendar year following the year in which the First Build is completed, FAES shall deduct the First Build payment from the annual operating fee specified in 11.1.1. of the Operating Agreement otherwise then due to COK. This is a one time deduction only and in the event the First Build payment exceeds the amount of the operating fee then due, FAES shall not be entitled to the negative difference between the operating fee otherwise due and the First Build payment.

3. First Build Only

The above fees are for the First Build only. COK shall not require FBC to pay any fees for DES construction or operation, including for New Work, in addition to the annual operating fee set out in section 11 of the Operating Agreement.

4. Confirmation of Agreement

Please confirm that this letter accurately sets out the terms of our agreement by executing the acknowledgement on the bottom of the enclosed copy of this letter and return the executed copy of this letter to FAES at your earliest opportunity.

Yours truly,

FortisBC Alternative Energy Services Inc.

[Name]

[Title]

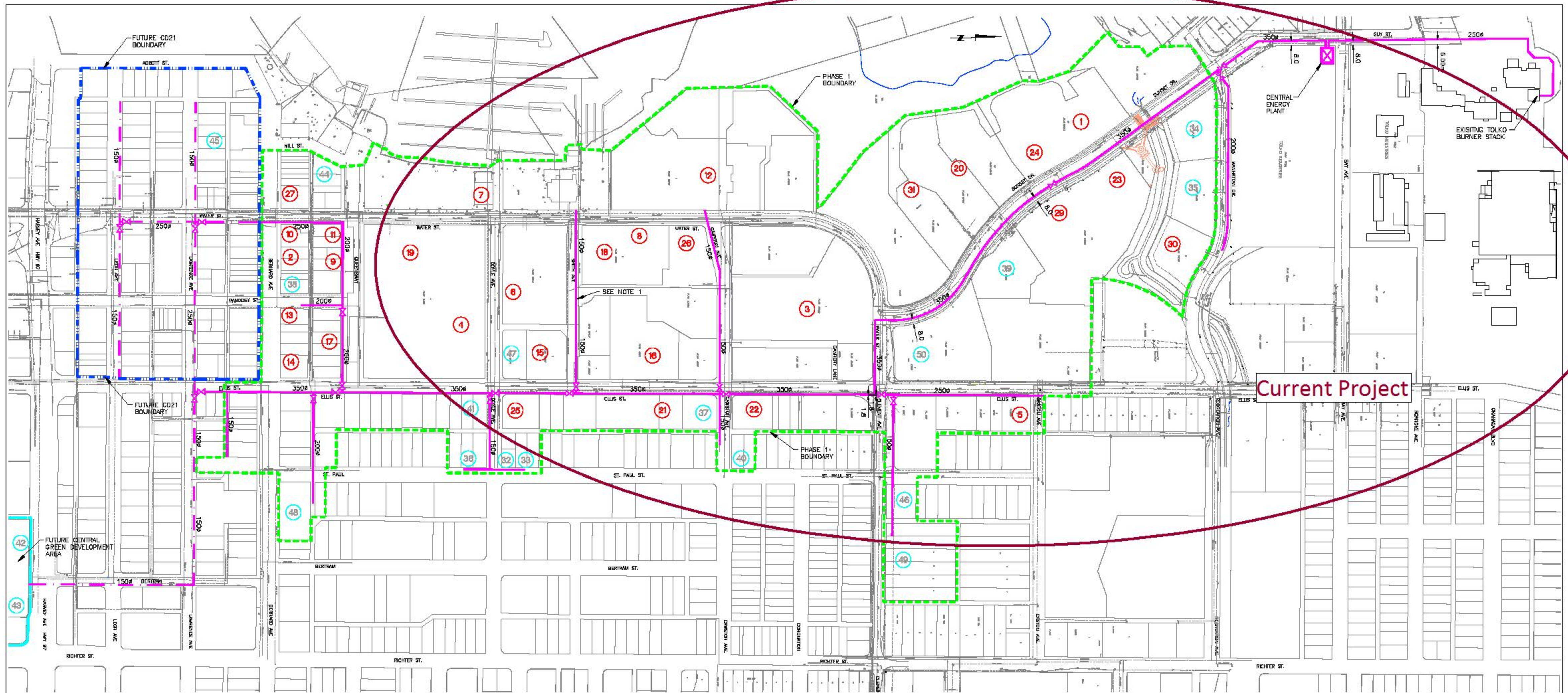
ACKNOWLEDGEMENT

The City of Kelowna confirms that this letter accurately reflects its agreement with FortisBC Alternative Energy Services Inc. and agrees to be bound by the terms and conditions contained therein.

Dated at Kelowna, British Columbia, this day of , 2013.

Per:

Authorized Signatory



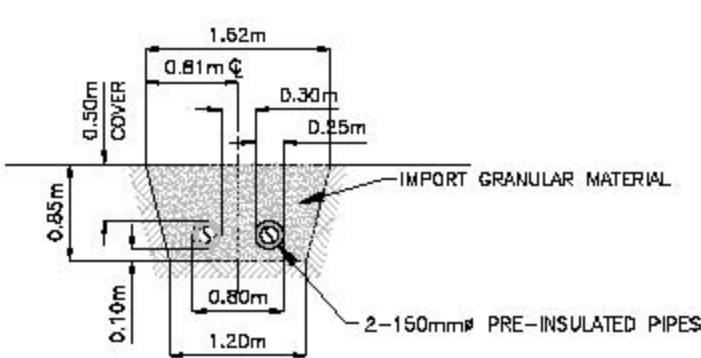
Current Project

LEGEND

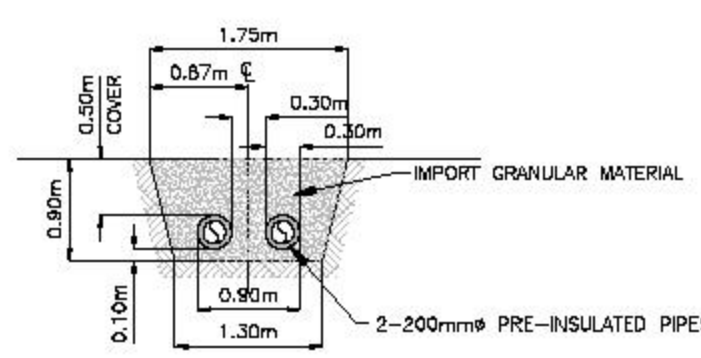
- CENTRAL ENERGY PLANT
- PROPOSED PIPE ALIGNMENT CORRIDORS :
PHASE 1 DES ROUTE
- FUTURE DES ROUTE - (CENTRAL GREEN & CD21 OPTIONS)
- PHASE 1 BOUNDARY
- FUTURE BOUNDARY - CD21
- FUTURE BOUNDARY - CENTRAL GREEN
- EXISTING BUILDING #'S
(SEE MECH. DWGS. FOR BUILDING DESCRIPTIONS)
- FUTURE BUILDING #'S

NOTE:
1. SRW MAY BE REQUIRED

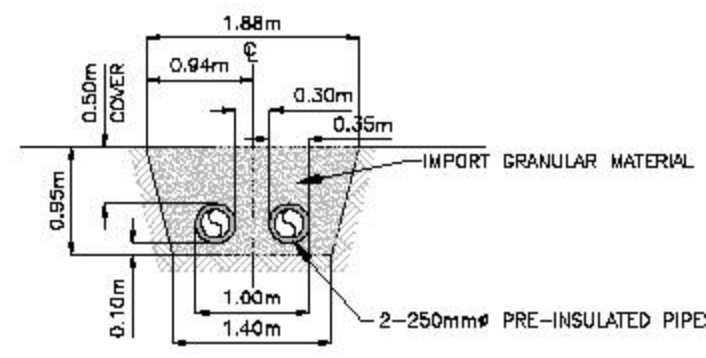
PRELIMINARY
FOR REVIEW ONLY



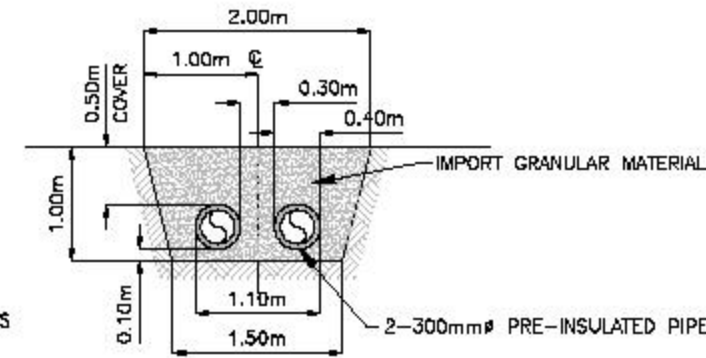
**150mm PIPE SECTION
DETAIL 'E'**
ALL DIMENSIONS IN mm



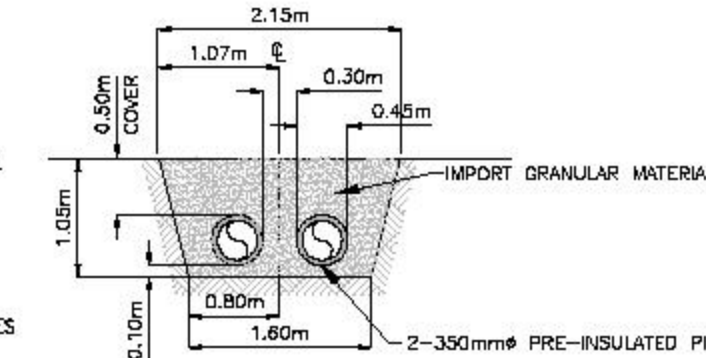
**200mm PIPE SECTION
DETAIL 'D'**
ALL DIMENSIONS IN mm



**250mm PIPE SECTION
DETAIL 'C'**
ALL DIMENSIONS IN mm



**300mm PIPE SECTION
DETAIL 'B'**
ALL DIMENSIONS IN mm



**350mm PIPE SECTION
DETAIL 'A'**
ALL DIMENSIONS IN mm

- LEGEND**
- WATER
 - SAN. SEWER
 - STORM SEWER
 - GAS
 - U/G TELEPHONE
 - U/G ELECTRICAL

- MANHOLE
- UTILITY POLE
- POWER POLE
- LAMP STANDARD
- CATCH BASIN
- HYDRANT
- TREES
- SURVEY MONUMENT

- LEGEND**
- PAVE WITH ASPHALT
 - REMOVE-REGRADE-REPLACE
 - LEVEL COURSE

NAD 83

INSERTION BASE POINT= 300,000 , 5,500,000

Locations and offsets of existing utilities shown on this plan are not guaranteed to be accurate and must be verified in the field PRIOR TO CONSTRUCTION. The City of Kelowna does not guarantee their accuracy. Concerned persons should not rely on these documents and should verify all information shown by way of site survey and other appropriate means. The City of Kelowna accepts no liability for use of these files or information.

NO.	DATE	BY	REVISION	CH'KD
1	11.03.18	DPG	PRELIMINARY	JTK
			REVISION	CH'KD



BASE DPG	DESIGN BM
APPROVED JTK	
DATE FEB 2011	
SCALE HORIZ. 1:2500	

THE CITY OF KELOWNA
ENGINEERING DEPARTMENT
FORTIS B.C.
KELOWNA DISTRICT ENERGY SYSTEM
NORTH END - PHASE I

DMSION	CIVIL
DRAWING NO. A-01	REV. NO. 1
122710050 c A-01	

KELOWNA DISTRICT ENERGY SYSTEM

Downtown Kelowna



HOW DID WE GET HERE?

3 YEAR PROCESS

- Prefeasibility study (CEA - 2010)
 - Prescreening study (locations and demands)
 - Identified sources and opportunities
 - Pandosy and Downtown
 - Technical and public workshops
- MOU with FortisBC Alternative Energy Services (August 2010)
- Detailed economic-technical feasibility (Oct 2011)
- Interim Agreement with FortisBC Alternative Energy Services (May 2012)
- FortisBC Alternative Energy Services makes application to the BC Utilities Commission to own and operate a District Energy System in Downtown Kelowna. (Aug 2012)

HOW DID WE GET HERE? CONTINUED.....

- Amendment approved to extend the Interim Agreement from November 30 2012 through December 31, 2013.
- BC Utilities Commission approves application for FortisBC Alternative Energy Services to own and operate a District Energy System in Downtown Kelowna. (July 2013)
- Negotiations to agree on the terms and conditions for a Definitive Operating Agreement between the City of Kelowna and FortisBC Alternative Energy Services (July - Sept 2013)
- Request for Council to approve recommendation to sign Definitive Operating Agreement (Sept 30, 2013)

NEXT STEPS...

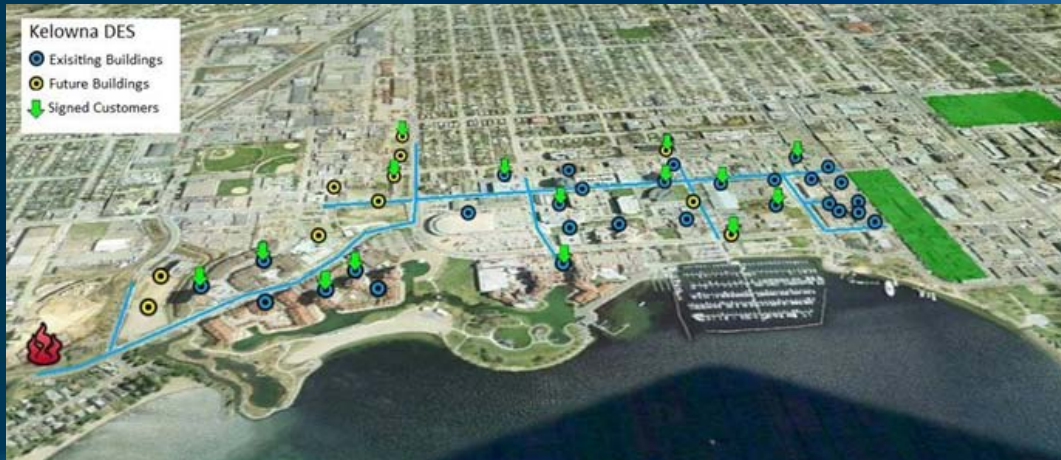
- Kelowna Thermal Energy System Service Agreements (Oct 2013)
- Detailed design and construction of the District Energy System is anticipated to take place over the next 18 months.

COUNCIL RECOMMENDATIONS

SEPT 30, 2013

- Execute the Definitive Operating Agreement and Supplementary Permitting & Fee Agreement between the City of Kelowna and FortisBC Alternative Energy Services.
- Key points to consider:
 - 3% royalty on total net revenues received for the thermal energy derived from the piped DE System. Revenues are anticipated to be in the order of \$2.2 million over the term of the contract.
 - Supplementary agreement for payment of City permitting and road usage fees. \$75,000 in total fees.
 - The District Energy System will be owned and operated exclusively by FortisBC Alternative Energy Services at no cost to the City.
 - By signing the agreement the City is not committing itself to any future obligations in relation to the District Energy System.
 - 20 year term with option to renew for 2 addition 5 year terms.
 - Terms and conditions in the agreement are comprehensive and protect the City's interest related to work and work standards during construction and operation of the District Energy System.
 - The District Energy System Project is supportive of both the provinces and the City of Kelowna's greenhouse gas emission reduction goals.
 - The Cities Legal Council have reviewed the agreement and have confirmed the terms and conditions are in the interest of the City and is ready to be brought forward to Council.

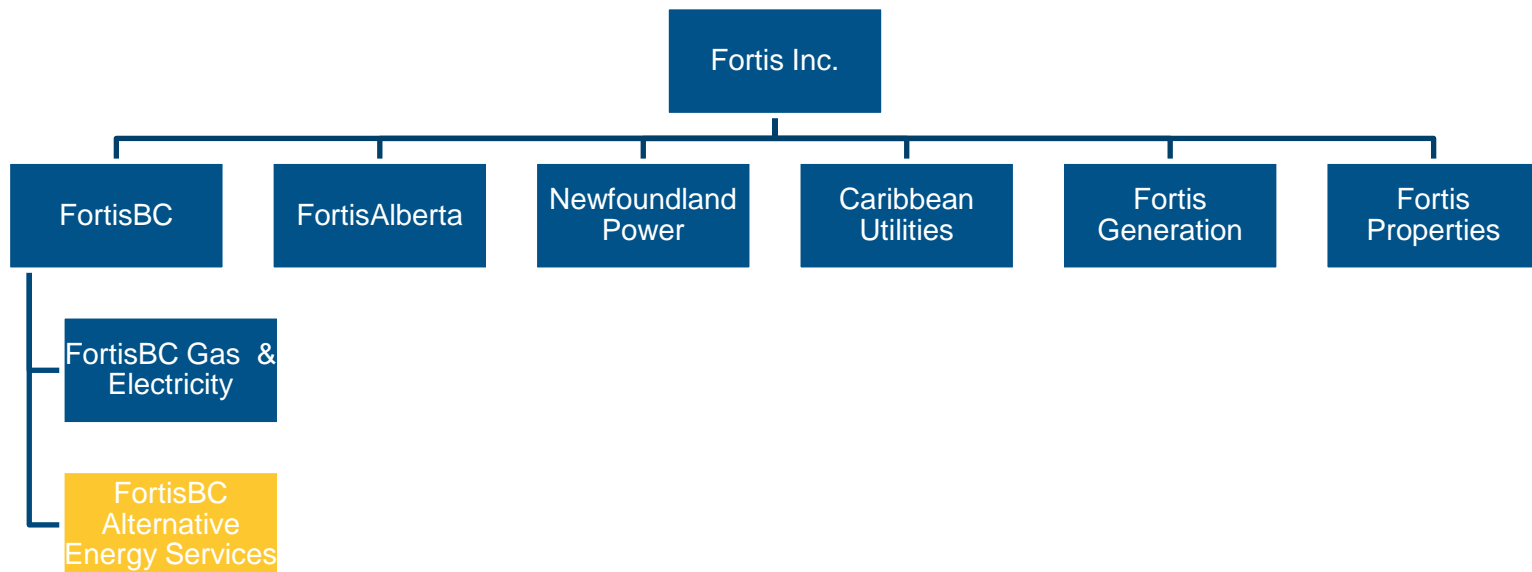
Kelowna District Energy System



Prepared for Kelowna City Council
September 30, 2013

Siraz Dalmir, Strategic Solutions Manager
Mike Flaherty, Project Manager
James Lota, Business Development Manager

FortisBC Alternative Energy Services



Background

- FortisBC Alternative Energy (FAES) applied to BC Utilities Commission for approval to deliver thermal energy in Downtown Kelowna
 - FAES to own and operate hot water–based thermal energy system
 - FAES will deliver high temperature water throughout service area using waste heat recovery from Tolko Mill processes
 - Implementing renewable energy DES in Downtown and its vicinity in support of City sustainability targets
 - City and FAES working to facilitate project implementation

Project Progress

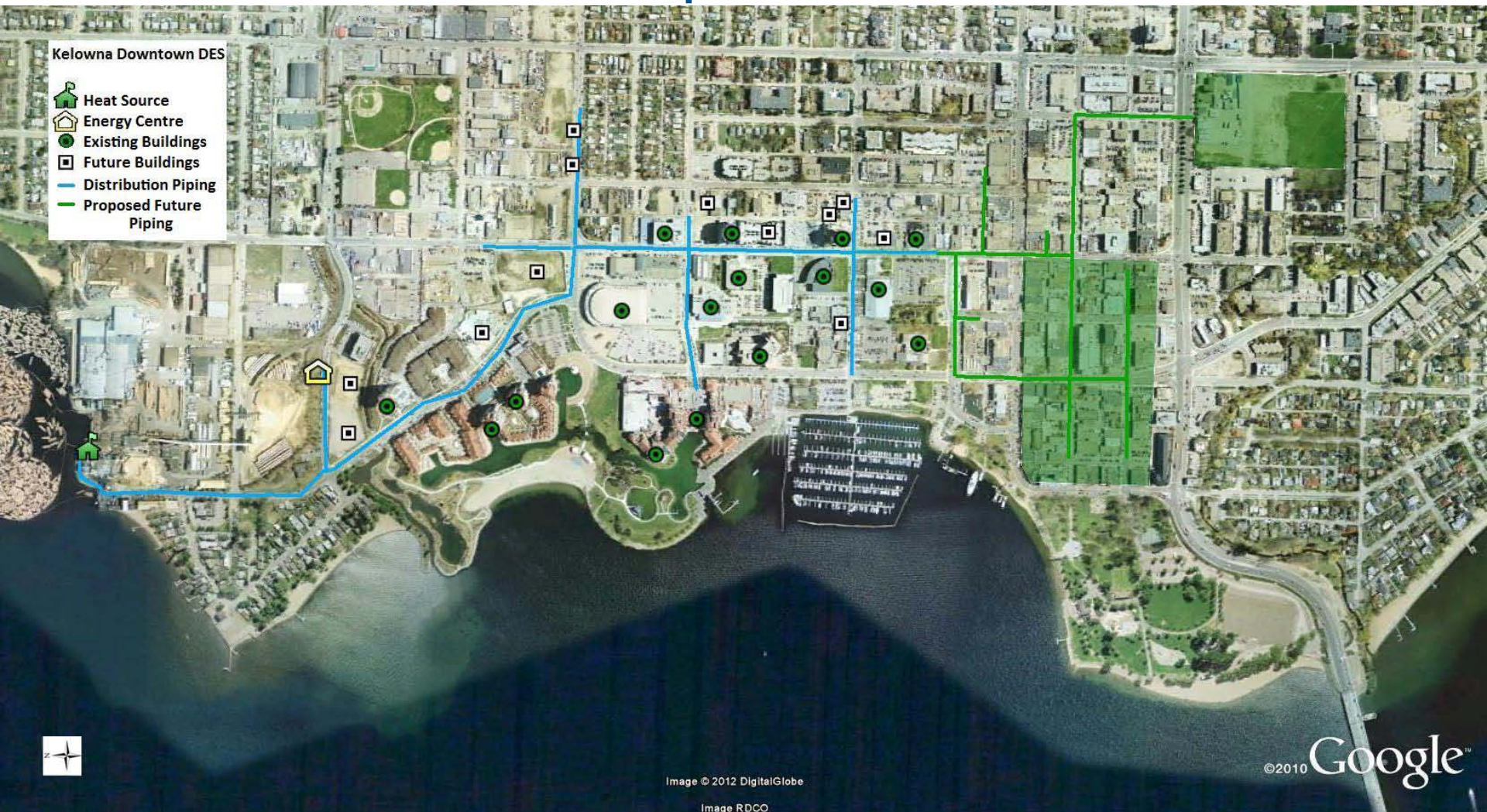
- **BC Utilities Commission has given approval to FAES to proceed with Kelowna DES**
- Next steps include finalizing Operating Agreement with the City of Kelowna
- Working to finalize Service Agreements with customers
- Request for Proposals for KDES Detailed Design underway, closing in second half of October
- Detailed design anticipated to begin Oct/Nov 2013
- Construction targeted for Spring 2014

BC Utilities Commission Process

Regulatory process was extensive and rigorous

- FAES responded to three rounds of questions
- Questions were generated by the Commission Staff, Panel and registered intervenors
- FAES answered over **950 questions**

Kelowna DES Map



Target Customers

- 1 City Hall
- 2 Library
- 3 Memorial Arena
- 4 Rotary Centre for the Arts
- 5 Prospera Place (Ice Rink)
- 6 Cannery Lofts
- 7 The Dolphins
- 8 The Lagoons
- 9 The Madison
- 10 Waterscapes
- 11 The Downtown Lofts
- 12 Discovery Bay
- 13 Monaco (Proposed Highrises)
- 14 Okanagan Strata Management
- 15 Delta Grand Hotel
- 16 Royal Private Residence
- 17 Kelowna Law Courts
- 18 Central Okanagan Health Unit
- 19 IHA Admin Building (Proposed Office Tower)

District Energy is just like your other utilities



Electricity



Gas



+



Heating
Water



Integrated Energy Business Approach

- Standard Utility Business model
 - Significant upfront FortisBC capital investment recovered via revenues over the long term
- Requires:
 - Tariff based on energy rates that are regulated by the BC Utilities Commission
 - Ensures rates represent a fair cost to end users and fair rate of return to Fortis
 - Economic Test for extensions of established District energy systems

To develop cost effective, timely, reliable, and environmentally conscious energy solutions for the community

Key Benefits to Kelowna

- KDES to generate benefits for the City and the community
 - Positive economic impacts → **\$26 M FAES investment**
 - Majority of this is construction, with most activity to be conducted outside of summer months
 - Ongoing revenue generation for the City in the form of an **Operating Fee**
 - Significant annual **GHG reductions** and operating efficiencies for the City and the community
 - Provides customers with reliable **regulated utility thermal energy service**

Stable & Predictable KDES Rates

KDES mitigates the impacts of volatile energy prices by:

- Reducing use of natural gas commodity
 - Natural gas sold on open market so price fluctuates
- Providing stable, predictably-priced thermal energy
 - Price variations are small in comparison to natural gas
 - Not a commodity



KDES Environmental Benefits

- 80% overall GHG reductions for downtown buildings
 - Assists with City's sustainability goals
- 6,500 tons CO₂e reductions annually when fully built out
 - 3,600 tons annual CO₂e reductions after 2 years in operation
- Equal to taking 810 cars off the road
 - Corresponds to removing 450 cars after 2 years in operations



FortisBC Scope Includes

- Ownership of central mechanical equipment, peaking & backup systems
- Operation & Maintenance
- Repair and replacement of energy equipment
- Fuel inputs
- 24/7 Customer Care



Benefits for Customers

- Good for the pocketbook:
 - Stable and predictable end user energy rates for the long term
- Good for the environment:
 - Clean, carbon neutral energy source that reduces GHG emissions
- Great for peace of mind:
 - Established, trusted utility providing thermal energy service & looking after in-building thermal energy equipment



Questions & Discussion



Report to Council



Date: September 25, 2013
Rim No. 0710-01
To: City Manager
From: S. Kochan, Cultural Services Manager
Subject: 2013 09 25 RTC 2014 Grants FINAL

Recommendation:

THAT COUNCIL receives, for information, the overview of the Arts, Culture & Heritage Operating Grants, the Arts, Culture & Heritage Project Grants and the Community Public Art Grants for 2014 as contained in the report dated September 25, 2013 from the Cultural Services Manager;

AND THAT COUNCIL approves the guidelines for the 2014 Arts, Culture & Heritage Operating Grants, the 2014 Arts, Culture & Heritage Project Grants and the 2014 Community Public Art Grants as recommended in the report dated September 25, 2013 from the Cultural Services Manager;

AND FURTHER THAT COUNCIL directs staff to provide, for information, a list of the 2014 recipients in each grant program, as well as a summary of achievements, benefits and impact arising from grants awarded in these programs in 2013.

Purpose:

The purpose of this report is to provide an overview of grant programs and processes to be administered by the Cultural Services Branch for 2014. In early 2014, following the grant adjudication process, staff will provide the list of 2014 recipients and a summary of achievements, benefits and impacts arising from grants awarded in 2013.

Background about the grant programs: Operating Grants

The purpose of operating grants is to support the day-to-day operations of local non-profit arts, culture and heritage organizations.

The proposed 2014 guidelines are attached as Appendix A. Application forms have been revised to reflect the guidelines and the changes listed below. Applications will be accepted from October 8 to November 29, 2013.

In 2013, 17 organizations received a total of \$111,500 through this program.

For 2014, the level of funding in this program will be \$110,000 through the Cultural Services budget.

The following changes are proposed for 2014:

- a) More detailed feedback will be provided to applicants after completion of the review process. Feedback will be based on commentary from the grant review committee, and will specify, where warranted, aspects of organizational effectiveness or community engagement which can be improved. Organizations returning to the program in subsequent years will be required to demonstrate how they have responded to the feedback and worked to make the necessary improvements. Lack or insufficiency of response will be considered in future applications and may result in a reduction of support.

This approach mirrors the 'fair notice' practices used by a number of public sector arts funding agencies in Canada, and provides an additional tool for ensuring accountability in the provision of operating support.

- b) The small Travel & Conference Grant (\$1,500) piloted in 2013 has been discontinued.
- c) The submission of statistical data to Canadian Arts Data/Données sur les arts au Canada (CADAC) database, proposed for grant recipients receiving more than \$10,000 in support in 2013, will be deferred. Other alternatives for data collection and analysis are being explored.

Project Grants

The purpose of project grants is to support festivals, events and projects which have an arts, culture and heritage focus. Support is provided on a matching basis and is available for up to three successive years.

The proposed 2014 guidelines are attached as Appendix B. Application forms have been revised to reflect the guidelines and the changes listed below. Applications will be accepted from October 8 to November 29, 2013.

In 2013, 13 organizations received a total of \$65,000 through this program.

For 2014, the level of funding in this program will be \$65,000 through the Cultural Services budget.

The following changes are proposed for 2014:

- a) Eligible arts, culture and heritage organizations may seek funding in this program for an Organization Development Project, defined as 'an activity or initiative to develop the organization's capacity and sustainability through improved governance, planning, training, fund development, audience development or program review.' Eligible expenses include fees for participation in reputable programs for Board, volunteer or management development, and consulting fees associated with planning projects.

This component of the Project Grant program is an adjunct to the 'fair notice' policy to be implemented in the Operating Grant program. If an organization determines or receives notice that aspects of its organizational effectiveness or community engagement need to be improved, the organization will have access to some additional resources to undertake the training and/or planning necessary to drive positive change.

These grants are provided on a matching basis, and therefore organizations must also invest their own resources in Organization Development Projects.

Any organization undertaking an Organization Development Project with City support will be required to provide a Final Report which documents measurable outcomes.

The objective is to support the development of strong non-profit leadership skills, and organizations which are healthy, resilient and responsive to the communities they serve.

Community Public Art

The purpose of this program is to stimulate community engagement and participation in the creation of temporary or permanent works of art. Local artists, working in partnership with non-profit organizations, are key to the success of these projects.

Any non-profit organization may apply for a grant - applicants do not need to have an arts, culture or heritage mandate.

In 2013, \$15,000 was available through this program. Three projects were approved for a total of \$8,700.

Funding available is again proposed at \$15,000 for 2014 through the Infrastructure Planning Department (Parks & Public Places Branch) budget. The maximum grant in this program is \$10,000.

The proposed 2014 guidelines are attached as Appendix C. Application forms have been revised to reflect the guidelines and the changes listed below. Applications will be accepted from October 8 to November 29, 2013.

No changes are proposed for this program in 2014. Adjudication of applications will again be done by the Public Art Roster, a panel of qualified community representatives in consultation with City of Kelowna staff. Efforts continue to bring more public attention to this program through workshops and presentations.

Program activity

A chart summarizing applications and grant awards in these programs for the years 2010-2013 is included as Appendix D.

Program promotion and information

Cultural Services staff ensures that program guidelines and application forms are posted on the City website.

Packages with printed guidelines and forms are also available at information workshops and on request. The majority of applicants access the materials through email and online.

Through the City's e-subscribe service and a database of contacts and past applicants, the City distributes an email bulletin announcing that guidelines and application forms are available. This is supported by news releases and occasional paid advertising.

Two public information workshops at the Kelowna Branch Library Meeting Room are scheduled for the fall of 2013 to help attendees with the 2014 application process:

Tuesday, October 8 - 2:00 pm to 5:00 pm

Thursday, October 10 - 5:00 pm to 8:00 pm

At each workshop, attendees are introduced to the program guidelines, application forms and evaluation process, and also have the opportunity to work through sample applications and evaluations to aid their understanding of what makes an application successful.

Working with applicants

Cultural Services staff work closely with applicants at all stages of the annual grant cycle. This working relationship ensures that staff:

- can assist applicants in ensuring that they are applying in the appropriate program;
- can bring together initiatives and organizations who might benefit from collaboration, or eliminate project overlap and duplication;
- learn directly from applicants how grant processes and forms can be improved;
- can guide applicants and organizations in the development of high-quality programs and services which are aligned with City of Kelowna goals and objectives.

Feedback from grant applicants about the assistance provided by staff has been very positive. The majority of applicants indicate that information provided by staff was helpful and clear, and that the process is well managed.

Operating and Project grants: the role of the Central Okanagan Foundation

The Central Okanagan Foundation has worked with Cultural Services since 2010 to administer an independent, arms length evaluation process for both Operating and Project grants. This relationship will continue for 2014, in accordance with the Memorandum of Agreement attached as Appendix E. The Foundation will receive a fee of \$10,000.

Highlights from the agreement:

- The Foundation recruits and trains the Adjudication Committees, provides applications to the committee members, and convenes and facilitates the committee meetings where grant recommendations are formulated;
- The Foundation prepares the grant recommendations and delivers them to staff for presentation to Council;
- Cultural Services is responsible for the grant program guidelines, forms, information workshops, working with applicants, reporting to Council and distribution of funds.

The underlying principles of the review process administered by the Central Okanagan Foundation as a third party agency are fairness, transparency and independence.

Composition of the grant review committees

The Central Okanagan Foundation, in consultation with Cultural Services, determines the composition of grant review committees. Six committee members (with alternates) are selected for each program. They are selected based on their experience, merit and familiarity with grant processes and the local arts, culture and heritage community. To the extent possible, the committees will also reflect the diversity of the community at large and the range of disciplines and activities reflected in the list of applicants.

The work of committee members is governed by Terms of Reference prepared by the Central Okanagan Foundation. The Terms of Reference include clear procedural direction in the event of a real or perceived conflict of interest. Committee meetings are chaired by the Foundation's Grants Manager.

Since 2011, each Operating and Project grant committee has included one experienced grant adjudicator from Vancouver and it is proposed that this practice continue. Associated fees and expenses will be paid by the Central Okanagan Foundation as part of its Agreement with the City.

A summary of the grant process for 2014 is provided below:

PHASE ONE Oct-Dec 2013 Application Preparation & Intake	PHASE TWO Nov 2013-Jan 2014 Review Committees & Review Process	PHASE THREE Jan-Feb 2014 Grant Awards & Distribution
Publication of guidelines and application forms (Oct)	COF convenes and trains two committees for Operating & Project grants (Oct-Nov) Staff convene a separate committee for Community Public Art grants	Staff contacts all applicants to advise on results and provide feedback from Committee review (late Jan/early Feb)
Two public information workshops (Oct)	Committees receive and complete independent review of all applications (Dec-Jan)	Staff report to Council re: grant awards (early Feb) in all three programs
Staff support for applicants preparing applications (Oct-Nov)	Each committee meets in roundtable to decide on grant awards (Jan)	Follow up correspondence from staff to all applicants (Feb)
Application deadline Nov. 29	Committee minutes prepared and provided to staff (Jan)	Grant awards paid to recipients prior to end of February
Staff screening of applications Dec. 2-6		
Applications to Central Okanagan Foundation (COF) by Dec. 11		

Accountability and performance measures

All grant recipients are required to acknowledge City of Kelowna funding, primarily through use of the City logo in an approved manner on promotional materials. Cultural Services staff monitors this recognition on an ongoing basis and follows up with recipients as needed.

Recipients are also required to file a final report within a prescribed timeline describing their use of City of Kelowna funding and the benefits and impact achieved. Failure to provide a report will disqualify an organization from making an application to any program in the future.

Information provided in the reports is helpful to Cultural Services in a variety of ways, including documenting successes, measuring community participation and benefit, tracking program types and trends and generating ideas for further cultural programming.

Internal circulation

Director, Active Living & Culture

Director, Communications

Manager, Parks & Public Places

Existing Policy:

Council Cultural Policy 274 provides in part:

- 'The City of Kelowna Cultural Services Branch funds annual operating grants for local Arts, Culture and Heritage organizations. These grants are evaluated and recommended for approval by Council in an arms' length process administered by an external organization.'
- and
- 'The City of Kelowna Cultural Services Branch funds annual project grants for community festivals, and other events and projects that have a focus on arts, culture and heritage. These grants are evaluated and recommended for approval by Council in an arms' length process administered by an external organization.'

External Agency/Public Comments:

The Central Okanagan Foundation has been consulted in the preparation of this report. Community organizations will have an opportunity to review detailed information and make inquiries at the public workshops and by contacting staff directly prior to the application deadline.

Considerations not applicable to this report:

Legal/Statutory Authority

Legal/Statutory Procedural Requirements

Financial/Budgetary Considerations

Personnel Implications

Communications Comments

Alternate Recommendation

Submitted by:



S. Kochan, Cultural Services Manager

Approved for inclusion:



Attachments:

Appendix A - Operating Grant 2014 Guidelines

Appendix B - Project Grant 2014 Guidelines

Appendix C - Community Public Art 2014 Guidelines

Appendix D - Grant Summary 2010-2013

Appendix E - Memorandum of Agreement with Central Okanagan Foundation

cc: Director, Active Living & Culture
Director, Communications
Manager, Parks & Public Places
Grants Manager, Central Okanagan Foundation

2014 Operating Grants GUIDELINES

APPLICATION DEADLINE: November 29, 2013 at 3:00pm PST

Mail or deliver completed and signed application form and a digital copy on CD Rom or USB flash drive, along with supporting materials by the deadline to:

Operating Grants
City of Kelowna Cultural Services Branch
Glenmore Office*
#105 - 1014 Glenmore Drive
Kelowna, BC V1Y 4P2

**Located at the corner of Mountain Avenue and Glenmore Drive.*

2014 Arts, Culture & Heritage Operating Grants

The City of Kelowna allocates operating funding to arts, culture and heritage organizations which provide arts, culture and/or heritage based programming and activities for the benefit of Kelowna residents.

This support acknowledges that the work of these organizations contributes to Kelowna's quality of life, identity and economy, and is extended to recipients who demonstrate vision, accountability and a spirit of community service in their operations.

Eligible organizations must be an independent organization with a clear mandate which includes the provision of public programs and services with an arts, culture and/or heritage focus.

A completed application form must be submitted by the application deadline. The form, with helpful step-by-step instructions, is available [on-line](#) or from City staff (see below).

Anyone considering making an application is encouraged to:

- Attend an information [workshop](#). Workshops for 2014 grants are scheduled for October 8 and 10, 2013; and
- Contact Caroline Ivey, Cultural Services Branch, civey@kelowna.ca, phone 250-469-8474.

OPERATING GRANT DEADLINE: November 29, 2013 at 3:00 p.m. PST

Funding is intended to support operating expenses during the calendar year beginning January 1, 2014.

Eligibility

In order to be eligible for Operating Grants, applicants must demonstrate that they meet the following adjudication criteria:

- Be incorporated and in good standing as a British Columbia non-profit society. Charitable status is not required;
- Be active as an incorporated non-profit society for at least one full year prior to the application deadline;
- Be an independent organization with a clear mandate which includes the provision of public programs and services with an arts, culture and/or heritage focus;
- Be directed by recognized arts/cultural/heritage professionals and/or experienced volunteers;
- Carry out the majority of their work (e.g. performances, exhibitions, events, programs, rehearsals, administrative activity, membership) in the City of Kelowna;
- If arts based, create, produce or present work primarily by local artists/performers/artisans (amateur and/or professional) - the program may include artists who are not local if community outreach by those artists is provided
- If heritage based, create, provide or facilitate events, materials, communications and/or services which interpret and convey the human history of Kelowna to residents and visitors;
- Demonstrate an inclusive, diverse and welcoming approach in their operations and activities;
- Demonstrate financial need;
- Be fiscally responsible (e.g. diversified revenue base, annual budgeting process, proper financial records and reports, support from an accredited bookkeeper/financial advisor);
- Have a sound governance model which provides for staff/volunteer/board recruitment and development, planning, committees and partnerships; and
- Demonstrate alignment with the following City of Kelowna goals and values:

GOALS	VALUES	REFERENCE
<ul style="list-style-type: none"> • Increasing cultural vitality and participation • Conveying Kelowna's history • Animating urban centres • Providing arts and culture opportunities for underserved populations • Building cultural leadership and volunteerism • Welcoming new citizens and newcomers 	<ul style="list-style-type: none"> • Accessibility, diversity and inclusion • Accountability and fiscal responsibility • Innovation • Optimizing value • Partnerships and collaboration • Respect for artists: <ul style="list-style-type: none"> • Fair compensation for artists' time and work • Recognition of the artist during and after the project • Engagement of the artist in planning for use of the work and any other intellectual property associated with the project 	<p>Cultural Plan (see Section 5.1 Vision, 5.2 Guiding Principles and Goals 4, 5 and 6)</p> <p>Printed excerpts of the Cultural Plan are available from City staff.</p>
<ul style="list-style-type: none"> • Enhance citizens' quality of life • Engage the community 		Council priorities 2012-2014
<ul style="list-style-type: none"> • Community Enrichment - cultural activities that support the development of individuals, families and the broader community. 		Recreation & Cultural Services 2014 Goals

Operating grants are NOT TO BE USED FOR:

- Start-up costs
- Seed money for projects or events
- Construction, renovation, property purchase or major equipment purchases
- Deficit reduction
- Supporting organizations primarily focused on sports, politics, education, religion, healthcare, social service and/or those which seek to attract only a special interest audience.

Applications for both Operating & Project Grants

Organizations receiving Operating Grants may also apply for one Project Grant within the same calendar year in which they receive operating funding.

Organizations which benefit from City of Kelowna Cultural Facility Grants or Professional Arts Grants are not eligible to apply for Operating Grants but will be eligible to apply for Project Grants.

Evaluation

All grants will be adjudicated by a panel of professional qualified peer and community representatives convened by an arm's length contracted agency in consultation with City of Kelowna staff.

Panelists are invited to participate based on their experience, merit and familiarity with granting processes and the local arts, culture and heritage community. To the extent possible, the panel will reflect the diversity of the community at large and the range of disciplines and activities reflected in the list of applicants.

Panelists who have a real or perceived conflict of interest regarding any application will be required to declare that such a conflict exists and will not participate in decisions relating to that application.

Cultural Services staff will be present as observers and facilitators during the adjudication process, but will not be active participants.

The adjudication panel will, within 60 days of the application deadline, provide its recommendations to the contracted agency.

The recommendations of the adjudication panel are final.

Notification

Grant applicants will receive written notification of evaluation results by early February, 2014.

Funds will be disbursed as soon as possible after presentation to Council. The objective is to have all funds disbursed by the end of February 2014.

Grants are awarded on an annual basis, based on the merits of the application and the program criteria. Applicants must re-apply each year. Continued funding is not guaranteed.

Obtaining an operating grant is a competitive process and demand exceeds available resources. Even if eligibility requirements are met, there is no guarantee of support.

All applicants are encouraged to meet with Cultural Services staff to obtain feedback about their application from the evaluation panel.

NEW FOR 2014: Detailed feedback will be provided to applicants after completion of the review process. Feedback will be based on commentary from the grant review committee, and will specify, where warranted, aspects of organizational effectiveness or community engagement which can be improved. Organizations returning to the Operating Grant program in subsequent years will be required to demonstrate how they have responded to the feedback and worked to make the necessary improvements. Lack or insufficiency of response will be considered in future applications and may result in a reduction of support.

Recognizing the City of Kelowna's Support

Grant recipients must acknowledge the financial assistance of the City of Kelowna on ALL communications and promotional materials relating to the organization (such as programmes, brochures, posters, advertisements, websites, news releases and signs).

Acknowledgement is provided by using the City of Kelowna logo in accordance with prescribed standards.

City of Kelowna logo files and usage standards will be provided to successful applicants. Failure to acknowledge the City's support may result in the inability of an organization to obtain grant support in future years.

Reporting

Successful applicants will provide year-end reports in a prescribed format to the City of Kelowna Cultural Services Branch. Receipt of these reports is a pre-condition for consideration of an organization's future grant applications in any category and will be part of the review panel resources in future grant application reviews.

A grant recipient seeking to make significant changes to its operations, as outlined in an application, should consult with Cultural Services staff prior to implementation.

Final reports must be submitted on or before November 1, 2014.

Submitting Applications - Deadline: November 29, 2013 at 3:00 p.m. PST

- Application forms are available at kelowna.ca/culture, or by contacting Caroline Ivey, Cultural Services branch, civey@kelowna.ca, phone 250-469-8474.
- Information should be typewritten - handwritten forms will not be accepted.
- Cultural Services staff are available to review your application prior to submission. Applications submitted for review must be received prior to **November 22**, 2013.
- Applications which are late or incomplete are ineligible for adjudication.
- Answer all questions on the form concisely, and include all of the requested supporting materials - use the provided checklist to ensure that your application is complete.
- Support materials are welcome on the understanding that they will not be returned or retained.
- Information about an applicant's operations is collected for the purpose of adjudicating the application and for administrative purposes. It is collected under the authority of the *Local Government Act*, RSBC 1996, c323, *Community Charter*, SBC 2003, c26 and the *Freedom of Information and Protection of Privacy Act*, RSBC 1996 c165. Questions about the collection of this information are to be directed to Sandra Kochan, Cultural Services Manager, at skochan@kelowna.ca, or 250-469-8935.

- Mail or deliver completed and signed application form and a digital copy on CDROM or USB flash drive, along with supporting materials by the deadline to:

Operating Grants
City of Kelowna Cultural Services Branch
Glenmore Office
#105 - 1014 Glenmore Drive
Kelowna, BC V1Y 4P2

PROJECT GUIDELINES

APPENDIX B



2014 Project Grants GUIDELINES

APPLICATION DEADLINE: November 29, 2013 at 3:00 p.m. PST

Mail or deliver completed and signed application form and a digital copy on CDROM or USB flash drive, along with supporting materials by the deadline to:

Project Grants
City of Kelowna Cultural Services Branch
Glenmore Office*
#105 - 1014 Glenmore Drive
Kelowna, BC V1Y 4P2

**Located at the corner of Mountain Ave. and Glenmore Drive.*

2014 Arts, Culture & Heritage Project Grants

The City of Kelowna allocates grant funding to community organizations which intend to provide a festival, event or project featuring arts, culture and/or heritage based elements for the benefit of Kelowna residents.

This support acknowledges that:

- New initiatives often need 'seed money' to get started and ongoing support to become established;
- Community events build social connectedness and engagement;
- Successful events and projects which include creative, cultural or historical content can be initiated by individual or collaborative groups whose primary mandates may be unrelated to arts, culture and heritage; and
- The work of community organizations and the availability of arts, culture and heritage activities contributes to Kelowna's quality of life, identity and economy.

With the exception of Organizational Development Projects, eligible organizations need not be from the arts, culture or heritage sector. Innovation and collaboration across sectors and interests is encouraged.

Project Grant funds may be requested for up to 50% of the total cost of a project, to a maximum of \$10,000. All project grants require a non-municipal match of at least 1 to 1. These matching funds may be cash or a combination of cash and in kind contributions. Please review the eligible uses for funding within this package for further information.

A completed application form must be submitted by the application deadline.

In order to ensure that applicants and projects are eligible before time is spent filling in the forms, project application forms are NOT available on line and must be obtained from staff.

Anyone considering making an application is encouraged to:

- Attend an information [workshop](#). Workshops for 2014 grants are scheduled for October 8 and 10, 2013; and
- Contact Caroline Ivey, Cultural Services Branch, civey@kelowna.ca, phone 250-469-8474.

PROJECT GRANT DEADLINE: November 29, 2013 at 3:00 p.m. PST

Funding is intended to support expenses for projects occurring between March 2014 and December 2014. For projects occurring prior to March 2014 or in 2015, please contact Cultural Services staff.

Note that these grants have a project focus - organizations may also be eligible to apply for an Arts, Culture & Heritage Operating Grant in the same year through a separate application process. Eligibility criteria and forms are available at kelowna.ca/culture or by contacting Cultural Services.

Definitions

Project - a special initiative which may be one-time, and may include:

- New or unconventional collaboration between/across genres, disciplines or sectors;
- Creation of new work or materials;
- Emphasis on new or emerging technologies, media, techniques and practices; or

- **NEW FOR 2014** Organization Development Projects (only for organizations eligible for or receiving Operating support from City of Kelowna Cultural Services Branch) - an activity or initiative to develop the organization's capacity and sustainability through improved governance, planning, training, fund development, audience development or program review. Examples: expenses for participation in reputable programs for Board, volunteer or management development, consulting fees (for advising, research and/or development of a strategic, fundraising, marketing or business plan). See Eligible Uses for Funding on pages 5/6 for more detail.

Festival - an organized event which occurs over more than one day, incorporates an intensive level of planned activity into those days and demonstrates established or potential audience support from a broad range of the community.

Event - an organized performance, gathering, activity or cluster of activities which occurs on a single day.

Art - includes all genres within the following disciplines (list is not exhaustive and two or more genres or disciplines may be combined):

- Performance (music/dance/theatre/spoken word/improvisation)
- Visual (two and three dimensional/performance/fine or artisanal craft/site specific or temporary installation)
- Literary (poetry/prose)
- Media/new media (film/video/still photography)
- Design (fashion/graphic/industrial/interior)

Culture & Heritage - broadly conceived to include both tangible and intangible characteristics of the following elements, with activities and expression which explore, interpret and celebrate:

- Human diversity including First Nations/ethnicity/different abilities and orientations/gender and age
- Human and natural history
- Ecology & environment (as themes for artistic practice or historical interpretation)
- Heritage buildings, sites (including neighbourhoods, gardens, views), collections, archives, documentation, interpretation
- Storytelling, narratives, traditions and values, artisanal methods

Eligibility

In order to be eligible for Project Grants, all festivals, events and projects* as defined above must:

- Be open and/or accessible to the public, and reach beyond the organization's members and artists to the broader community;
- Offer a unique experience not duplicated by other ongoing organizations and their activities;
- Offer a unique experience not typically provided through the applicant's existing programming;
- Be a one-time, new initiative or unique collaboration, or if existing, demonstrate expansion and growth (e.g. a trend of increase in audience, participation and/or activity);
- Be supported by budgets which are distinct from regular operating budgets of the lead organization;
- Prominently feature art, cultural or heritage content; and
- Demonstrate alignment with the following City of Kelowna goals and values:

GOALS	VALUES	REFERENCE
<ul style="list-style-type: none"> • Increasing cultural vitality and participation • Conveying Kelowna's history • Animating urban centres • Providing arts and culture opportunities for underserved populations • Building cultural leadership and volunteerism • Welcoming new citizens and newcomers 	<ul style="list-style-type: none"> • Accessibility, diversity and inclusion • Accountability and fiscal responsibility • Innovation • Optimizing value • Partnerships and collaboration • Respect for artists: <ul style="list-style-type: none"> • Fair compensation for artists' time and work • Recognition of the artist during and after the project • Engagement of the artist in planning for use of the work and any other intellectual property associated with the project 	<p>Cultural Plan (see Section 5.1 Vision, 5.2 Guiding Principles and Goals 4, 5 and 6)</p> <p>Printed excerpts of the Cultural Plan are available from City staff.</p>
<ul style="list-style-type: none"> • Enhance citizens' quality of life • Engage the community 		Council priorities 2012-2014
<ul style="list-style-type: none"> • Community Enrichment - cultural activities that support the development of individuals, families and the broader community. 		Recreation & Cultural Services 2014 Goals

**For Organization Development Projects - see additional criteria on page 5.*

Applicant Criteria:

- Be incorporated and in good standing as a British Columbia non-profit society. Charitable status is not required. Organizations and commercial enterprises without non-profit status can be involved as supporters, collaborators and partners but cannot be a primary applicant. If the project involves a collaboration of several organizations, one eligible non-profit organization must be designated as the primary applicant and project lead;
- Be active as an incorporated non-profit society for at least one full year prior to the application deadline;
- Be an independent organization with a clear mandate which authorizes the activities and initiatives included in the application. ***Except for Organization Development Projects***, applicants do not need to have a primary mandate relating to arts, culture or heritage;
- Be directed by recognized professionals and/or experienced volunteers;
- Carry out the majority of their work (e.g. events, services, programs, administrative activity, membership) in the City of Kelowna;
- Demonstrate an inclusive, diverse and welcoming approach in their operations and activities;
- Be fiscally responsible (e.g. diversified revenue base, annual budgeting process, proper financial records and reports, support from an accredited bookkeeper/financial advisor); and

- Have a sound governance model which provides for staff/volunteer/board recruitment and development, planning, committees and partnerships.

Festival/Event/Project Criteria:

- Evidence of community need
- Evidence of community support (levels of commitment from volunteers, donors, partners)
 - Provide letters of support with the application
 - *Do not include Letters of support from the Mayor, Kelowna City Councillors and City staff*
- Evidence of financial need and ability to fund from other sources at least 50% of the project costs. Project grants are limited to a maximum of \$10,000 and cannot exceed 50% of the total project costs. Applicants must self-fund or seek other sources of funding for at least 50% of the total project costs.
- Uniqueness of project (not duplicated by any other initiative or organization)
- Innovation of project (for example original new work, new approaches, new collaborations)
- Inclusive, accessible, diverse and welcoming approach to a broad audience within the community
- A viable business plan which outlines clear, measurable objectives, actions and outcomes, including budgets and potential economic impact
- Evidence of responsible and experienced project leadership and management (personnel, planning, records and controls)
- If an existing initiative, evidence of a growth trend in audience, participation and/or activity
- Potential to attract a non-resident audience (from the Okanagan region or beyond)
- Sensitivity to and mitigation of any environmental impacts arising from the initiative
- Festival/Event/Project must be complete by December 2014.

Organization Development Project Eligibility and Criteria:

In addition to the other criteria above, applicants must:

- ✓ Be a recipient, in the 24 months preceding the application deadline, of operating support from the City of Kelowna Cultural Services Branch;
- ✓ Provide both a realistic project budget, and the applicant organization's 2014 Operating Budget;
- ✓ Demonstrate in their application a good understanding of the organization's stage in its life cycle*, a feasible project workplan, and a specific description of project outcomes and deliverables. Outcomes and deliverables must directly relate to measurable improvements in the organization's governance, administration, or community engagement.
- ✓ Identification of qualified personnel who will lead the project, or in the alternative, a plan for selection of qualified personnel.

*This information can come from a thoughtful SWOT (strengths/weaknesses/opportunities/threats) analysis, or refer to the [Capacity Lifecycles Description chart](#) from the BC Arts Council website.

Eligible Uses for Funding

Project grants are intended to be used for:	<i>Project grants are NOT TO BE USED FOR:</i>
<ul style="list-style-type: none"> ✓ Fees for licenses, permits, insurance and security; ✓ Venue rental and other venue related costs (tents, furniture, audio/visual/lighting and other equipment, technical/trade services); ✓ Material costs relating to design, production/fabrication and installation of new or original works, structures, sets or costumes relating to the project; 	<ul style="list-style-type: none"> ✗ <i>Initiatives which already receive financial or in kind support from other City of Kelowna sources for the same purpose</i> ✗ <i>Ongoing operating or administration expenses</i> ✗ <i>Research or feasibility studies except as above</i>

<ul style="list-style-type: none"> ✓ Payment of fees and expenses for participating artists/creators/performers/presenters; ✓ Design, production and distribution of non-commercial (no advertising content) information materials relating to arts, culture or heritage. Materials can be in printed or other media and must be suitable and available at no charge for a public audience (for example, brochures, interpretive signage, maps and video). Websites, promotional items (ads, posters, handbills) and directional signage are excluded; ✓ Volunteer recruitment, training and support; ✓ Research or feasibility studies to a maximum of \$1500, on the condition that completed studies are released to the City of Kelowna on an unrestricted basis; and ✓ <i>For Organization Development Projects:</i> tuition or registration fees (travel expenses are ineligible) for participation in reputable programs for Board, volunteer or management development, fees and expenses for qualified consultants. <p>*Note: In order to meet the matching requirements, these expenses can also be paid from other sources through cash and in kind contributions.</p>	<ul style="list-style-type: none"> ✗ <i>Costs of purchased advertising</i> ✗ <i>Décor, food and beverage costs</i> ✗ <i>Costs relating to fundraising (projects are not eligible if activities and/or costs are primarily aimed at fundraising)</i> ✗ <i>Retroactive funding for events which have already occurred</i> ✗ <i>Construction, renovation, property purchase or major equipment purchases</i> ✗ <i>Deficit reduction</i> ✗ <i>Supporting events or activities which are politically partisan or primarily focused on sports, commercial activity (tradeshow, conferences), competition, education, religion, healthcare, social service, and/or seek to attract a special interest audience.</i> ✗ <i>For Organization Development Projects:</i> wages or salary for staff employed by an applicant, compensation to any member of a Board of Directors
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Important Note re: Limitation of Eligibility

Depending on fulfillment of all criteria, including financial need, recipients of Project Grants may re-apply for funding of the same initiative in each of two consecutive years, but after three consecutive years of funding are no longer eligible to apply for support of the same initiative. This ensures that the group of organizations and initiatives benefiting from these grants is refreshed on an ongoing basis.

Applications for Both Operating & Project Grants

Some organizations receiving Project Grants may also be eligible for Arts, Culture & Heritage Operating Grants within the same calendar year. A separate application is required.

Organizations which benefit from City of Kelowna Cultural Facility Grants or Professional Arts Grants are each eligible to apply for one Project Grant per calendar year. Their applications will be adjudicated on the same criteria as other applicants.

Note: any project grant applicant which also receives operating funding from the City of Kelowna must demonstrate that the proposed project is not typically part of its regular programs and services. See eligibility section on page 4.

Evaluation

All grants will be adjudicated by a panel of professional qualified peer and community representatives convened by an arm's length contracted agency in consultation with City of Kelowna staff.

Panelists are invited to participate based on their experience, merit and familiarity with granting processes and the local arts, culture and heritage community. To the extent possible, the panel will reflect the diversity of the community at large and the range of disciplines and activities reflected in the list of applicants.

Panelists who have a real or perceived conflict of interest regarding any application will be required to declare that such a conflict exists and will not participate in decisions relating to that application.

Cultural Services staff will be present as observers and facilitators during the adjudication process, but will not be active participants.

The adjudication panel will, within 60 days of the application deadline, provide its recommendations to the contracted agency.

The recommendations of the adjudication panel are final.

Notification

Grant applicants will receive written notification of evaluation results by early February, 2014.

Funds will be disbursed as soon as possible after presentation to Council. The objective is to have all funds disbursed by the end of February 2014.

Grants are awarded on an annual basis, based on the merits of the application and the program criteria. Applicants must re-apply each year. Continued funding is not guaranteed.

Obtaining a Project Grant is a competitive process and demand exceeds available resources. Even if eligibility requirements are met, there is no guarantee of support.

All applicants are encouraged to meet with Cultural Services staff to obtain feedback about their application from the evaluation panel.

Recognizing the City of Kelowna's Support

Grant recipients must acknowledge the financial assistance of the City of Kelowna on all communications and promotional materials relating to the festival/event/project (such as programmes, brochures, posters, advertisements, websites, news releases and signs).

Acknowledgement is provided by using the City of Kelowna logo in accordance with prescribed standards.

City of Kelowna logo files and usage standards will be provided to successful applicants. Failure to acknowledge the City's support may result in the inability of an organization to obtain grant support in future years.

Reporting

Successful applicants will provide a final report within 60 days of completion of the project, in a prescribed format, to the City of Kelowna Cultural Services Branch. Receipt of these reports is a pre-condition for consideration of an organization's future grant applications in any category and will be part of the review panel resources in future grant application reviews.

A grant recipient seeking to make significant changes to its initiatives as outlined in an application should consult with Cultural Services staff prior to implementation. If the changes result in the cancellation or a significant delay in the completion of the initiative, the applicant will, after consultation with staff, be required to return to the City all Project Grant funds paid for that year.

Submitting Applications - Deadline: November 29, 2013 at 3:00 p.m. PST

- **In order to ensure that applicants and projects are eligible before time is spent filling in the forms, project application forms are NOT available on line and must be obtained from staff.**
- Contact Caroline Ivey, Cultural Services Branch, civey@kelowna.ca, phone 250-469-8474.
- Information should be typewritten - handwritten forms will not be accepted.
- Cultural Services staff are available to review your application prior to submission. Applications submitted for review must be received prior to **November 22**, 2013.
- Applications which are late or incomplete are ineligible for adjudication.
- Answer all questions on the form concisely, and include all of the requested supporting materials - use the provided checklist to ensure that your application is complete.
- Include sketches, photographs and other visual or audio materials if they will help to describe/define your project.
- Support materials are welcome on the understanding that they will not be returned or retained.
- Information about an applicant's operations is collected for the purpose of adjudicating the application and for administrative purposes. It is collected under the authority of the *Local Government Act*, RSBC 1996, c323, *Community Charter*, SBC 2003, c26 and the *Freedom of Information and Protection of Privacy Act*, RSBC 1996 c165. Questions about the collection of this information are to be directed to Sandra Kochan, Cultural Services Manager, at skochan@kelowna.ca, or 250-469-8935.
- Mail or deliver completed and signed application form and a digital copy on disc, along with supporting materials by the deadline to:

Project Grants
City of Kelowna Cultural Services Branch
Glenmore Office
#105 - 1014 Glenmore Drive
Kelowna, BC V1Y 4P2

COMMUNITY PUBLIC ART GUIDELINES

APPENDIX C



2014 Community Public Art Grants GUIDELINES

APPLICATION DEADLINE: November 29, 2013 at 3:00 p.m. PST

Mail or deliver completed and signed application form and a digital copy (PDF or Word Document) on CDROM or USB flash drive, along with supporting materials by the deadline to:

Community Public Art Grants
City of Kelowna Cultural Services Branch
Glenmore Office*
#105 - 1014 Glenmore Drive
Kelowna, BC V1Y 4P2

**Trouble finding us? Cultural Services is located at the corner of Mountain Avenue and Glenmore Drive, behind the Mac's store.*

2014 Community Public Art Grants

The City of Kelowna provides annual grant funding for community organizations to support projects which engage local artists with Kelowna residents in the collaborative creation of temporary or permanent works of art.

The end product need not be a permanent work of art but should be publicly accessible and leave a legacy for the general public.

Projects should demonstrate the support of the local community and document significant participation by a sizable number of people.

In 2014, a total of \$15,000 is available, with a maximum grant amount of \$10,000.

All community public art grants require a non-municipal match of at least 1 to 1. These matching funds may be all cash or a combination of cash and in kind contributions.

These guidelines provide information about program objectives, eligibility, and adjudication of applications.

A completed application form must be submitted by the application deadline. The form, with helpful step-by-step instructions, is available on-line or from City staff (see below).

Anyone considering making an application is encouraged to:

- Attend an information workshop. Workshops for 2014 grants are scheduled for October 8 and 10, 2013; and
- Contact Caroline Ivey, Cultural Services Branch, civey@kelowna.ca, phone 250-469-8474.

COMMUNITY PUBLIC ART GRANT APPLICATION DEADLINE: November 29, 2013 at 3:00 p.m. PST

1. What is Community Public Art?

Community public art is a collaborative, collective creative process between a practicing artist and a community which results in a work of public art. It is as much about process as it is about the artistic product or outcome. It is a way for the community to creatively address and express its needs and aspirations. (Inspired by the Ontario Arts Council, *Community Arts Workbook*, 1998, p.7)

Some of the identifying characteristics of Community Public Art are:

- It addresses community concerns and/or reflects community identity;
- It provides a participatory creative experience which is accessible to a broad range of people; and
- It is a way for artists to apply their skills in community development and building cultural and social sustainability.

Community public art can employ a range of media. Permanent installations often include mosaic, textile or other individual elements which are then assembled into a larger work. Murals, banners and painted panels have been popular in past years. The program welcomes artists from any discipline, and submissions involving performance, photography and digital media are encouraged.

Permanent projects may be located on public or private property, and must be publicly accessible. Temporary projects must be documented in a format that can be shared in a public setting and retained as a publicly accessible permanent record.

Since the launch of the City of Kelowna's Community Public Art program in 2007, many projects have been completed. Details about these projects are provided on the City's [website](#).

Other communities in British Columbia also offer Community Public Art programs. Some good examples can be found on the [North Vancouver Arts Office](#) website.

Follow these links to see some interesting examples of Community Public Art projects around the world:

<http://candychang.com/before-i-die-in-nola/>
<http://www.kids-with-cameras.org/mission/>
<http://www.headlinetheatre.com/intro.htm>

2. Objectives for Community Public Art

The objectives for the City of Kelowna Community Public Art Program are:

- Encourage the creation of publicly accessible, permanent or temporary artworks that have artistic merit and community benefit;
- Foster community pride, identity and cohesion through a collaborative artistic endeavor and the creation of artwork legacies;
- Support local leadership in community art projects while respecting the role of artists and other design professionals;
- Reflect the diversity, needs and ambitions of the larger community.

3. How Community Public Art links to broader civic goals and values

Organizations and projects seeking support from this program must demonstrate alignment with the following City of Kelowna goals and values:

GOALS	VALUES	REFERENCE
<ul style="list-style-type: none"> Increasing cultural vitality and participation Conveying Kelowna's history Animating urban centres Providing arts and culture opportunities for underserved populations Building cultural leadership and volunteerism Welcoming new citizens and newcomers 	<ul style="list-style-type: none"> Accessibility, diversity and inclusion Accountability and fiscal responsibility Innovation Optimizing value Partnerships and collaboration Respect for artists: <ul style="list-style-type: none"> Fair compensation for artists' time and work Recognition of the artist during and after the project Engagement of the artist in planning for use of the work and any other intellectual property associated with the project 	<p>Cultural Plan (see Section 5.1 Vision, 5.2 Guiding Principles and Goals 4, 5 and 6)</p> <p>Printed excerpts of the Cultural Plan are available from City staff.</p>
<ul style="list-style-type: none"> Enhance citizens' quality of life Engage the community 		Council priorities 2012-2014
Community Enrichment - cultural activities that support the development of individuals, families and the broader community.		Recreation & Cultural Services 2014 Goals

4. Who can apply

Individuals, groups or agencies employed by or associated with the City of Kelowna are not eligible to apply.

Private businesses, individual local artists and unincorporated groups are not eligible as a lead applicant but are encouraged to work on a project in partnership with a registered non-profit society which can demonstrate that it:

- Is involved in, and supportive of the project and has agreed to be a sponsoring organization;
- Is incorporated and in good standing as a British Columbia non-profit society. Charitable status and an arts-related mandate is not required;
- Has the legal authority to sign a Memorandum of Understanding with the City of Kelowna and obtain general liability insurance;
- Has been active as an incorporated non-profit society for at least one full year prior to the application deadline;
- Carries out the majority of its activities in the City of Kelowna;
- Has an inclusive, diverse and welcoming approach in its operations and activities; and
- Has financial management systems in place (e.g. a bank account, proper financial records, oversight by skilled volunteers or board members).

5. How much funding is available

For 2014, a total of \$15,000 is available in the Community Public Art Program.

The maximum amount for any individual application is \$10,000.

Most grants in the past have been in the \$5,000 range.

All grants require a non-municipal match of at least 1 to 1. These matching funds may be all cash or a combination of cash and in kind contributions. You may include matching funds that are proposed but not yet committed at the time of the application deadline.

Applicants are encouraged to explore additional funding options such as:

- Embrace BC (www.embracebc.ca)
- BC Arts Council (www.bcartscouncil.ca)
- Central Okanagan Foundation (www.centralokanaganfoundation.org)
- Vancouver Foundation (www.vancouverfoundation.ca)

6. How and when can the funding used

Eligible uses for Community Public Art funding*:	This funding cannot be used for:
<ul style="list-style-type: none">✓ Artist fees (may include fee/hour plus expenses)✓ Services (various trades)✓ Materials and supplies (consumables such as paint, canvas, glue etc)✓ Costs of setting up a safe venue for art production (insurance, tents, rental fees, permits)✓ Documentation (videographer, photographer, editing, printing)✓ Coordination/project management (someone to help with logistics and publicity)✓ Volunteers and participants (food, beverage, thank you event) <p>*Note: In order to meet the matching requirements, these expenses can also be paid from other sources through cash and in kind contributions.</p>	<ul style="list-style-type: none">✗ Retroactive funding for projects already in progress or completed;✗ Projects which already receive financial or in-kind support from the City of Kelowna✗ Activities primarily aimed at fund-raising;✗ Activities or products with a political, religious or commercial purpose;✗ Capital improvements;✗ Purchase of property, equipment or collections;✗ Projects which do not have<ul style="list-style-type: none">○ broad-based community participation;○ the involvement of a local artist;○ a publicly accessible legacy;✗ Reduction or elimination of existing organizational deficits or interest on same; or✗ Directly or indirectly acquiring academic courses or

	credits. × Projects on sites outside the City of Kelowna boundaries.
<p>Projects must be completed within the calendar year of the application, unless otherwise agreed.</p> <p>Subject to approval by the City of Kelowna, funding may be used to support project activities over a period of more than one year, as long as the proposed start and end dates are disclosed in the application.</p>	

7. Who does what in a typical Community Public Art project

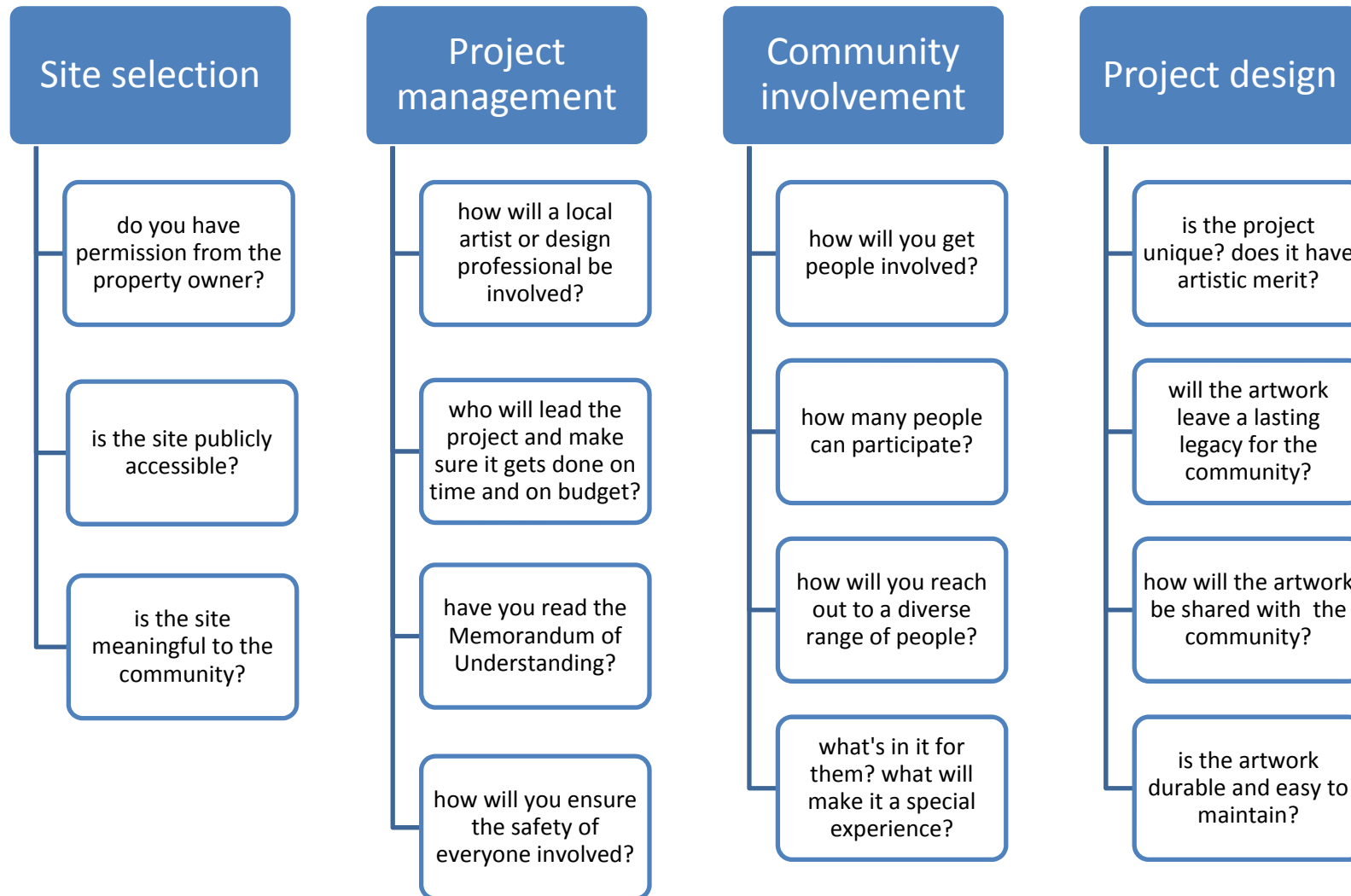
Responsibilities of the sponsoring organization:

- Receive and manage the City of Kelowna grant funding;
- Sign a Memorandum of Understanding with the City of Kelowna. A sample Memorandum is included in these guidelines. The Memorandum includes provisions governing scheduling and timelines, risk management, progress reporting, payments, ownership of the artwork and communications. Successful applicants will provide reports to Cultural Services staff during the project period;
- Contribute cash and/or in-kind resources;
- Ensure that funds are in place to cover all costs and that the project will run smoothly;
- Identify the artist and work with the artist to create and implement a plan to engage the organization's members and the broader community in the creation of a work of public art;
- Provide help and administrative support for the artist;
- Ensure that the artist is fairly compensated and that fees are paid on time and at the agreed upon level; and
- Carry out insurance, financial, reporting and other responsibilities related to the grant.

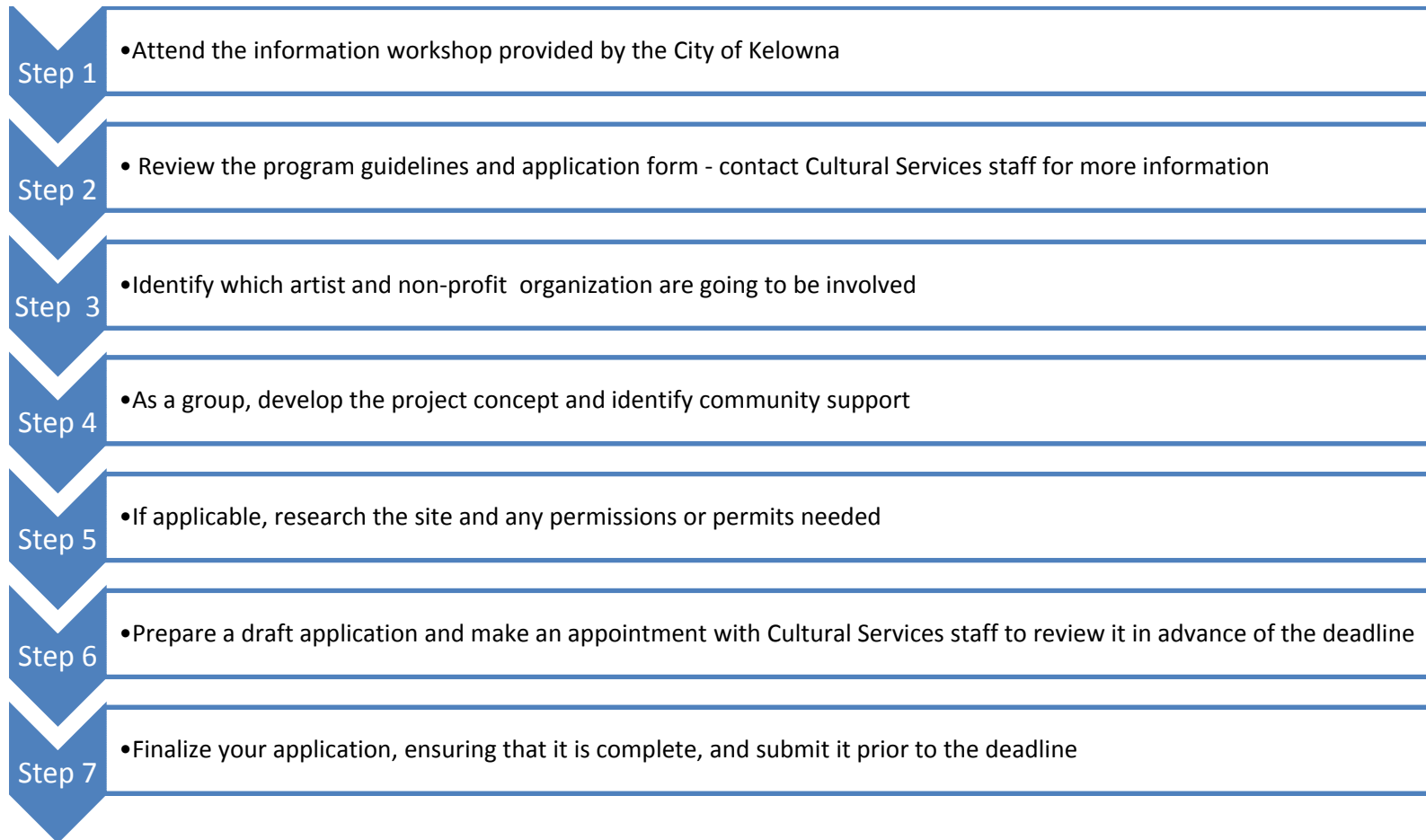
Responsibilities of the artist(s):

- Participate in the planning and creative process with the sponsoring organization and the community;
- Provide estimates of the costs for labour and materials for each stage of the project;
- Consider and advise on issues of public safety, durability, maintenance and operating costs in the design and delivery of the project;
- Provide materials and information as requested for documentation of work in progress and the completed work;
- Work with the sponsoring organization to complete the project and provide progress reports as requested; and
- Participate in unveiling/dedication events for the project as requested.

8. Things to consider in planning a project



9. How to apply



10. How applications are evaluated

All grants will be adjudicated by a panel of qualified community representatives in consultation with City of Kelowna staff.

Panelists who have a real or perceived conflict of interest regarding any application will be required to declare that such a conflict exists and will not participate in decisions relating to that application.

The adjudication panel will, within 60 days of the application deadline, provide its recommendations to Cultural Services staff, who in turn will present the recommendations to Kelowna City Council.

Subject to Council approval, the recommendations of the adjudication panel are final.

Applications are evaluated based on the requirements in these Guidelines as follows:

- Does the proposed project meet the objectives of the Community Public Art Program? (Section 2)
- Does the application demonstrate alignment with City of Kelowna goals and values? (Section 3)
- Is the applicant eligible? (Section 4)
- Does the project budget meet the matching requirements? (Section 5)
- Are the proposed uses of the funding consistent with Section 6 of the Guidelines?
- Has the applicant provided adequate information about how all roles and responsibilities will be fulfilled (Section 7) and how the project will be designed and delivered? (Section 8)
- Has the applicant made use of the information resources provided by the City including documents, contact with staff and workshops? (Section 9)

Obtaining a grant from the Community Public Art Program is a competitive process. Demand exceeds available resources. Even if eligibility requirements are met, there is no guarantee of support.

11. Notification about grant awards

Grant applicants will receive written notification of evaluation results by early February, 2014.

Funds will be disbursed in phases in accordance with the Memorandum of Understanding.

All applicants are encouraged to meet with Cultural Services staff to obtain feedback about their application from the evaluation panel.

12. Recognizing the City of Kelowna's support

Grant recipients must acknowledge the financial assistance of the City of Kelowna on all communications and promotional materials relating to the project (such as brochures, posters, advertisements, websites, news releases and signs).

Acknowledgement is provided by using the City of Kelowna logo in accordance with prescribed standards.

City of Kelowna logo files and usage standards will be provided to successful applicants. Failure to acknowledge the City's support may result in the inability of an organization to obtain grant support in future years.

Pursuant to the Memorandum of Understanding, any communication with the public or media about the project should be approved by the City.

13. Reporting

Successful applicants will provide progress and final reports in a prescribed format to the City of Kelowna Cultural Services Branch. Receipt of these reports is a pre-condition for consideration of an organization's future grant applications to the City of Kelowna in any category.

A grant recipient seeking to make significant changes to its project, as outlined in an application, should consult with Cultural Services staff prior to implementation.

14. Submitting Applications - DEADLINE November 29, 2013 at 3:00 p.m. PST

- The application form is available in Word and fillable PDF formats online at kelowna.ca/culture, or by contacting Caroline Ivey, Cultural Services Branch, civey@kelowna.ca, phone 250-469-8474.
- Information should be typewritten - handwritten forms will not be accepted.
- Cultural Services staff are available to review your application prior to submission. Staff review is available only until **November 22, 2013**.
- Applications which are late or incomplete are ineligible and will not be evaluated.
- Answer all questions on the form concisely, and include all of the requested supporting materials - use the checklist to ensure that your application is complete.
- Sketches, photographs and other visual or audio materials that describe your project are helpful for the adjudication panel.
- Information about an applicant's operations is collected for the purpose of adjudicating the application and for administrative purposes. It is collected under the authority of the *Local Government Act*, RSBC 1996, c323, *Community Charter*, SBC 2003, c26 and the *Freedom of Information and Protection of Privacy Act*, RSBC 1996 c165. Questions about the collection of this information are to be directed to Sandra Kochan, Cultural Services Manager at skochan@kelowna.ca, or 250-469-8935.
- Mail or deliver completed and signed application form and a digital copy (PDF or Word document) on CDROM or USB flash drive, along with supporting materials by the deadline to:

Community Public Art Grants
City of Kelowna Cultural Services Branch
Glenmore Office
#105 - 1014 Glenmore Drive
Kelowna, BC V1Y 4P2

Memorandum of Understanding Community Public Art Program

This agreement made the _____ day of _____ 201x

Between:

CITY OF KELOWNA
a municipal corporation having its offices at 1435 Water Street,
Kelowna, British Columbia V1Y 1J4

(the City)

And: *name and address of sponsoring organization*

(the Sponsor)

Whereas:

- A. The City has established a Community Public Art Program and requested proposals for Community Public Art projects for 201x;
- B. An evaluation panel has recommended the proposal (the Proposal) submitted by the Sponsor for *name of project*: (the Project), as a Community Public Art Project for 201x; and
- C. City Council has approved the recommendation of the evaluation panel to fund the Project from the Community Public Art Program;

Therefore:

The Memorandum of Understanding (MOU) set out herein between the City and the Sponsor stipulates the terms of the Project including responsibilities of the respective parties, identification of deliverables, and a timeline for completion of principal tasks.

This MOU can be amended at any time by written agreement of the City and the Sponsor.

name of sponsoring organization will:

- a) provide documentation to the City verifying that the Sponsor is a registered British Columbia Society in good financial standing and that it has the authority, by resolution of its directors to enter into this agreement;
- b) demonstrate proof of insurance, satisfactory to the City, prior to commencing work on the Project;
- c) abide by all applicable by-laws, statutes, ordinances, and regulations of any governmental agency having jurisdiction over the Project or the site;
- d) not assign or transfer any interest in this agreement or the Project without the prior written consent of the City;
- e) indemnify and hold harmless the City and its personnel from all actions, proceedings, losses, expenses, and costs arising out of, or in any way connected with the Sponsor's use of and presence on the site, the construction of the Project, failure by the Artist and/or Sponsor to pay for labour and materials, contamination of the site resulting from the Project, breach or default by the Artist and/or Sponsor under this agreement, or any wrongful act, omission, or negligence of the Artist and/or Sponsor;
- f) provide verification that matching support in the amount of \$xxx has been applied to the Project;
- g) invoice the City for all funds payable by the City pursuant to this agreement to a maximum of \$xxx;
- h) pay on a timely basis, the Artist, all suppliers, and any other providers of services and/or materials associated with the Project;
- i) manage the Project and the work of the Artist to ensure that the timelines as outlined in Appendix A are met;
- j) provide interim and final reports and any other documentation to the City as set out in Appendix A and to otherwise communicate on a timely basis with the City regarding the progress of the Project;
- k) facilitate access to the Project site or other locations where Project work is being done, for City staff; and
- l) create original artworks and not infringe upon any copyright.

The City will:

- a) upon receipt of an invoice and satisfactory progress reports, pay to the Sponsor the amounts specified in Appendix A provided that there is full compliance with all of the other terms of this agreement;
- b) at its expense, prepare, and install at the site a plaque or other means of identifying the Artist, the Sponsor, the title of the artwork, the year of completion, and any other pertinent project-related information.

The parties also agree that:

- a) all reports will be in digital format. Additionally, if any report is deemed incomplete by the City, it will not be accepted by the City, and the City will notify the Sponsor immediately of the changes required to complete the report;

- b) any communication by the Sponsor with the public, including any media organization, with regard to the Project must have approval of the City;
- c) the City will have the right to alter, remove, or relocate the completed artwork;
- d) the City will maintain the completed artwork in good repair and may consult with the Artist, Sponsor, and/or a professional conservator in making its decisions regarding maintenance;
- e) the Artist and the Sponsor are independent contractors and are not employees or agents of the City and as such are not entitled to employment-related benefits from the City;
- f) if the Sponsor violates or fails to comply with any provisions of this agreement, the City may give the Sponsor notice of default. If the default is not rectified to the City's satisfaction within the time specified in the City's notice, the City may, by giving one week's notice, terminate the Artist's and Sponsor's rights under this agreement. The notice of termination may require removal of the Project and restoration of the site at the Sponsor's expense, or alternatively, the transfer and delivery of the artwork or work in progress to the City.
- g) upon completion or termination of the Project, ownership of the artwork will be transferred to the City and the Sponsor will sign a transfer document to this effect;
- h) copyright in the completed work will be held by the City; and
- i) All communication regarding the Project will be through:
 - *title of sponsoring organization's contact*
 - Cultural Services Branch, City of Kelowna, #105 - 1014 Glenmore Drive, Kelowna, BC V1Y 4P2

The signatures below confirm that both parties understand and agree to the terms set out herein.

ACKNOWLEDGED AND AGREED:

name of sponsoring organization:

Date: _____ Authorized Signatory: _____

Print name: _____

By the City of Kelowna:

Date: _____ Authorized Signatory: _____

Print name: _____

APPENDIX A TIMELINES AND DELIVERABLES

PHASE 1: Upon execution of this agreement:

amount to be paid by the City to the Sponsor upon receipt from the Sponsor of:

- a) verification that matching support in the form of cash and/or in-kind donations is in place;
- b) proof of insurance;
- c) proof of incorporation as a Society;
- d) a copy of the Sponsor's most recent Society Act Form 11 Annual Report or other evidence that the Sponsor is in good financial standing; and
- e) a copy of a resolution from the Sponsor authorizing execution of this agreement.

PHASE 2:

By *date*, the Sponsor will provide to the City a progress report including:

- a) a budget including expenditures to date, cash and in-kind donations received, as well as projected expenditures, and cash and in-kind donations;
- b) a summary of public participation to date, including the number of people involved, and a description of tasks completed by participants including photographic documentation.
- c) an invoice for *amount*.

Upon receipt and acceptance of the progress report, the City will pay the Sponsor \$*amount*.

PHASE 3:

By *date*, the Sponsor will complete the project and provide to the City a final progress report including:

- a) photographic documentation in digital format of the completed artworks;
- b) a final financial report indicating all revenues and in-kind donations, and expenditures;
- c) a summary outlining how the outcome has met the Project objectives outlined in the proposal; and
- d) a final invoice for *amount*.

APPENDIX D

GRANT SUMMARY

YEAR	DETAILS	ARTS, CULTURE & HERITAGE GRANTS		COMMUNITY PUBLIC ART GRANTS
		OPERATING	PROJECT	
2010	\$ available	\$80,000	\$70,000	\$10,000
	# of applications	15	28	3
	\$ requested	\$133,200	\$292,274	\$16,000
	# of grant awards	12	15	2
	\$ total awards	\$77,500	\$67,500	\$6,500
2011	\$ available	\$110,000	\$70,000	\$10,000
	# of applications	21	22	2
	\$ requested	\$177,700	\$134,825	\$14,500
	# of grant awards	16	12	2
	\$ total awards	\$95,200	\$70,000	\$10,000
2012	\$ available	\$110,000	\$70,000	\$15,000
	# of applications	20	24	2
	\$ requested	\$186,370	\$141,488	\$17,500
	# of grant awards	18	17	2
	\$ total awards	\$110,000	\$70,000	\$15,000
2013	\$ available	\$111,500	\$65,000	\$15,000
	# of applications	26	17	3
	\$ requested	\$196,900	\$100,457	\$16,200
	# of grant awards	17	13	3
	\$ total awards	\$111,500	\$65,000	\$8,700



This agreement dated September 1, 2013

**Memorandum of Understanding
between**

**City of Kelowna Cultural Services Branch (CSB)
#105 - 1014 Glenmore Drive
Kelowna, BC V1Y 4P2
Attention: Sandra Kochan, Cultural Services Manager**

and

**Central Okanagan Foundation (COF)
#217 - 1889 Springfield Road
Kelowna, BC V1Y 5V5
Attention: Cheryl Miller, Grants Manager**

To adjudicate and administer the
City of Kelowna 2014 Arts, Culture, Heritage Operating Grants Program ('Operating Grants')

and

City of Kelowna 2014 Community Festivals, Events & Project Grants Program ('Project Grants')

To ensure the successful administration of the Operating and Projects Grants programs, agreement is hereby established between the City of Kelowna Cultural Services Branch and the Central Okanagan Foundation as follows:

1. The term of this agreement will be September 1, 2013 to August 31, 2014.

2. COF will:

- a) In consultation with CSB, recruit up to six people and at least one alternate for each grant advisory committee (one committee for Operating and one for Project) to adjudicate the grant applications and make recommendations for grant awards. Each committee will include a member from outside the Okanagan Valley area, based on a recommendation from CSB. Committee members will be encouraged to attend public information workshops on October 9 and 10 (see Section 3(b) below).
- b) Facilitate an orientation session for each grants advisory committee member and provide a manual outlining the process and how the grants are to be evaluated. The orientation session is tentatively scheduled for November 13, 2013.
- c) After the grant application deadline of November 29, 2013, in partnership with CSB review submitted grant applications to determine that enough information is in the application for the grants advisory committees to make an informed and responsible decision. If minor gaps are identified, CSB staff will contact applicant organizations to offer them an opportunity to fill in the gaps/ answer questions.
- d) Provide to each committee member an evaluation package containing an agenda, assessment tool and vetted applications for review. Evaluation packages will be available for distribution to committee members by December 13, 2013.

- e) Convene and facilitate a meeting of each committee to review each application as a group and formulate recommendations for grant awards. Meetings are tentatively scheduled for January 14 (Operating) and January 15 (Project), 2014. Costs and expenses associated with the grants advisory committee meetings are to be paid by the COF.
- f) Ensure that comprehensive minutes are recorded by a qualified minute taker/ transcriber at each grants advisory committee meeting, documenting the discussion and rationale for recommendations. Any costs associated with recording of minutes are to be paid by the COF.
- g) Prepare minutes from each grants advisory committee meeting for distribution to and approval by the grants advisory committee members. Upon approval by the committee, the minutes will be provided to CSB. Approved minutes will be provided to CSB no later than January 27, 2014.
- h) Support CSB staff in the preparation of a report to Kelowna City Council containing the grants advisory committees' recommendations for awarding or declining grants, with summary information about each of the successful applicants/projects. The Council Report is tentatively scheduled for Monday, February 10, 2014 and will be presented by CSB staff.
- i) Return all the original grant applications submitted in the current year to Sandra Kochan, Cultural Services Manager, City of Kelowna.

3. CSB will:


- a) Prepare, post and promote Operating and Project Program guidelines and applications.
- b) Organize and facilitate information workshops for interested grant applicants. The workshops are tentatively scheduled for October 9 and 10, 2013.
- c) Be the primary point of contact for inquiries from grant applicants prior to the application deadline of November 29, 2013.
- d) Upon completion of the grants advisory committee adjudication process and receipt of the committee minutes, inform grant applicants in writing of the committees' recommendations pending a staff report to City Council.
- e) Upon reporting to City Council, facilitate payment of grant awards to successful applicants by February 28, 2014.
- f) Be the primary point of contact for any applicants seeking more information about the adjudication process or the committees' recommendations.
- g) Track and manage submission of final reports, per the Operating and Project guidelines.

4. CSB will pay \$10,000.00 inclusive of any applicable taxes to COF to adjudicate the 2014 Operating and Project Grants Programs. Payment will be made upon receipt of an invoice from COF after completion of the adjudication process and staff report to council. Costs and expenses, up to \$1,500, associated with the participation of grant advisory committee members from outside the Okanagan Valley will be paid by COF. Any costs and expenses exceeding \$1,500 for out-of-town committee members will be paid by CSB.

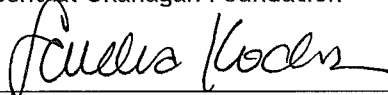
5. Both parties agree that it is their intention to receive and adjudicate applications, and disburse both Operating and Project Grants by February 28, 2014 and will cooperate to this end.

6. This agreement may be renewed, with amendments as needed, for future years.

We agree to the terms and conditions outlined in this Agreement.


 Cheryl Miller, Grants Manager
 Central Okanagan Foundation

July 4, 2013
 Date


 Sandra Kochan, Cultural Services Manager
 City of Kelowna

JULY 8, 2013
 Date

Report to Council



Date: September 30, 2013
Rim No. 1350-20
To: City Manager
From: Utilities Planning Manager
Subject: 2013-09-30 Report - Appaloosa-WaterSewer Road Pre-design

Recommendation:

THAT Council receives, for information, the report from the Utilities Planning Manager dated September 30, 2013 regarding the Arab/Appaloosa Water, Sewer and Road Pre-design and Public Review;

AND THAT Council direct staff to abandon the Local Area Service process required to construct the infrastructure needed to meet the I6 - Low Impact Transitional Zoning as costs are in excess of what will likely be considered reasonable by area property owners ;

AND FURTHER THAT staff be directed to report back to Council with alternative options for future land uses in the Arab/Appaloosa area.

Purpose:

The purpose of this report is to provide Council with an update on the results of the pre-design for water, sewer and roads of the Arab/ Appaloosa area, and to recommend that the proposed Local Area Services to be abandoned. The infrastructure costs required to meet the upgrades required for I6-Low Impact Transitional Industrial Zoning requirements are substantial. This report will identify the scope of the proposed upgrades and how these LAS costs were developed.

Background:

At the December 3, 2012, Council meeting, Council requested that staff "...report back with options for amending the I6 - Low-Impact Transitional Industrial Zone, to ensure consistency of intent and purpose with the Kelowna 2030 - Official Community Plan (OCP)".

Options were developed and presented to Council at the March 25th, 2013 Council meeting and at this meeting Council resolved:

THAT Council receive for information, the supplementary report from the Manager of Urban Land Use dated March 19, 2013, with respect to the Industrial - Limited future land use designation contained in the Kelowna 2030 - Official Community

Plan;

AND THAT Council direct staff to pursue Land Use Alternative 1, as identified below;

AND THAT Council direct staff to initiate the process to advance Sanitary Sewer Connection Area #35 to a Specified Sanitary Sewer Service Area;

AND FURTHER THAT Council direct staff to accept no further Rezoning applications for the Arab/ Appaloosa road area, pending final resolution of land uses for the area.

On May 16th, Council authorized funds necessary to create a pre-design for the water, sewer, and roads and associated drainage works for the Appaloosa/Sexsmith Area. The pre-design works included pre-designs for the Hollywood extension from Hollywood to Cambrio and Clydesdale to the new Hollywood connector. Although these roads will be funded through a future development, it was important to understand the road alignments in order to determine the scope of the proposed infrastructure required to support a change in zoning to the I6 - Low-Impact Transitional Industrial Zone. (Fig A2 attach:1)

THAT Council receives, for information, the report from the Utilities Planning Manager dated May 28, 2013 regarding the Appaloosa Water, Sewer and Road Pre-design;

AND THAT Council approves the transfer of \$50,000 from the 2013 capital budget, the DeHart/Crawford drainage project, for the purposes of creating a Road, Water and Sewer pre-design for the Arab/Appaloosa area as shown on the attached;

AND FURTHER THAT the 2013 Financial Plan be amended accordingly.

The Local Service Areas were developed to correspond to the areas where residents would receive direct benefit from the proposed service. Three different proposed Local Service Areas have been developed in this exercise corresponding to the differing areas receiving benefit from the services being proposed. These service areas are:

Appaloosa Roadway Local Area Service (Fig A3 attach:2):

The Appaloosa Roadway LAS generally includes all roadway improvements along Appaloosa from the intersection of the proposed Hollywood connector to a new cul-de-sac at the western end of Appaloosa Road - Figure A3. Only improvements to Appaloosa Road will be required to meet the I-6 zoning requirements. The cost to improve Hollywood Road and Clydesdale Road are not included in the LAS. The cost for this LAS has been apportioned by the relative amount of street frontage along Appaloosa Road of each property. Cost: \$1,624,842 including (20% contingency, 15% engineering, and interim financing)

Appaloosa Sanitary Sewer LAS (Fig A4 attach:3)

The Appaloosa Sanitary Sewer LAS generally includes the properties that will benefit from new sewer service. The infrastructure work required to provide this service include all new sanitary sewers on Appaloosa Road and Pinto Road and from the extra cost to deepen the sewer along Arab Road and Sexsmith Road. Residents who have already paid for connection fees according to our Sewer Connection Bylaw 8469 and currently have city sewer service have been exempted from this LAS. Several properties that are outside of the areas that could be rezoned as I-6 were included as they will have sanitary mains constructed immediately adjacent to their property. The cost for this LAS has been apportioned by the

relative amount of area of each property. Cost: \$519,771 including (20% contingency, 15% engineering, and interim financing)

Appaloosa Water and Drainage LAS (Fig A5 attach:4)

The Appaloosa Water and Drainage LAS includes the properties that will benefit from improving fire flows and onsite to offsite drainage requirements. The I-6 zoning requirement for fire flow is 225 L/s as specified within Bylaw 7900. Storm water management for the subject area is only effective and economical if designed with a cohesive strategy. The upgrades are required to manage flows generated within the subject area and to provide storm water detention required to meet predevelopment flows downstream of the subject area. The trigger for these improvements will be the rezoning of the subject area. Cost: \$2,713,088 (\$1,062,573 Water, \$1,650,514 Drainage) including (20% contingency, 15% engineering, and interim financing)

The geotechnical investigation of this pre-design has revealed that the existing materials are not suitable as a road base or trench backfill. As a consequence this material will need to be replaced with suitable fill.

The costs for the aforementioned projects depend upon all three LASs being successful. The cost for any one service will need to be increased should any one of the proposed LASs fail to be implemented. All of the works identified within the three LASs will need to be constructed in order for an I-6 rezoning to be considered.

The following is a link to the full pre-design: [Arab Appaloosa Predesign Final](#)

Financial/Budgetary Considerations:

The full costs for each of the lots within the proposed LASs have been calculated according to the LAS criteria set above. Should all three LAS's be successful, residents would have a choice to pay an annual fee to repay over a 20 year period or pay a lump sum cost.

The total costs of all three LAS areas together is \$4,857,701.

The following is an example of a typical property that is inside all three LAS areas: a 7,119 m² (1.8 acre) parcel with a 55.5m frontage along Appaloosa, the estimated costs are as follows:

Appaloosa Roadway LAS:	\$59,245
Appaloosa Sanitary Sewer LAS:	\$11,726
Appaloosa Water and Drainage LAS:	\$65,211
Total	\$136,181, or \$13,489 per annum over 20 years

The following shows the highest estimated cost for a property that is inside all three LAS areas: (7,588 m² parcel, with 113m of frontage along Appaloosa.

Appaloosa Roadway LAS:	\$121,352
Appaloosa Sanitary Sewer LAS:	\$12,499
Appaloosa Water and Drainage LAS:	\$69,508
Total	\$203,358 or \$19,937 per annum over 20 years

Alternative Recommendation:

THAT Council receives, for information, the report from the Utilities Planning Manager dated September 23, 2013 regarding the Arab/Appaloosa Water, Sewer and Road Pre-design and Public Review;

(Staff will proceed as per the March 25th resolution)

Communications (for Alternative Recommendation):

Should Council wish to pursue the alternative recommendation and proceed with the public review process; staff are proposing to send out a letter and self-addressed property owner response form that includes an invitation to a public open house. A web link for the Appaloosa Planning Area Pre-design will be provided to residents who are interested in reviewing the same. The letter to property owners will be sent out the week of September 30th and will identify the proposed services, expected total capital costs and individual home owner costs for these services. A public open house will be scheduled during the week of Oct 14th. Public response will then be used to determine if there is any interest from the community within the aforementioned subject area to pay for these upgrades. The results of this survey will then be reported back to Council at the November 18th meeting in order to determine if a formal Local Area Service process should be pursued.

Internal Circulation:

Director, Financial Services
Director, Policy and Planning
Manager, Land Use Planning
Manager, Development Engineering

Considerations not applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
Personnel Implications:
External Agency/Public Comments:

Submitted by:

A. Reeder, Utilities Planning Manager

Approved for inclusion:



J. Vos, General Manager, Infrastructure

Attachment 1 - Fig A2, Subject Area

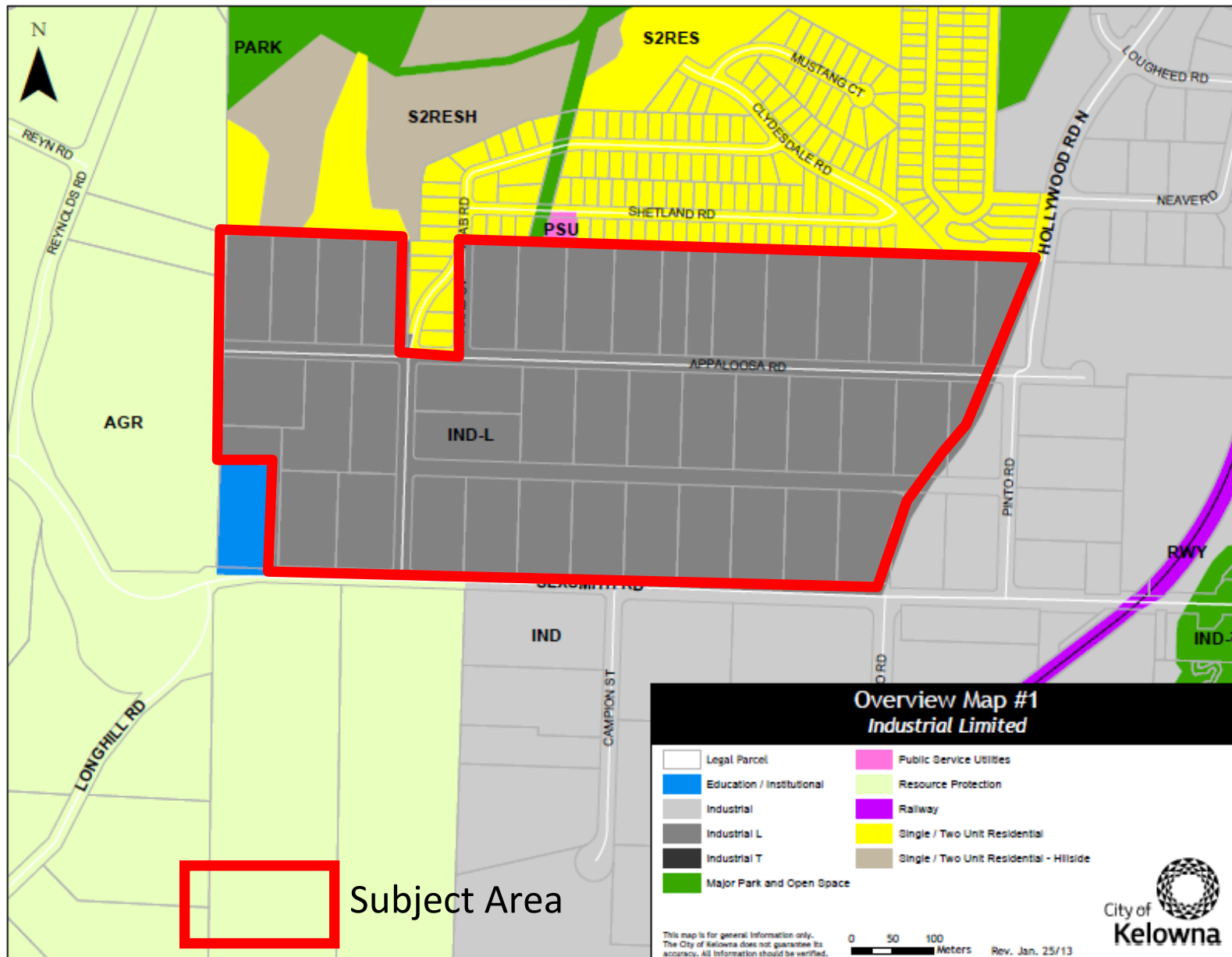
Attachment 2 - Fig A3, Appaloosa Roadway Local Area Service

Attachment 3 - Fig A4, Appaloosa Sanitary Sewer Local Area Service

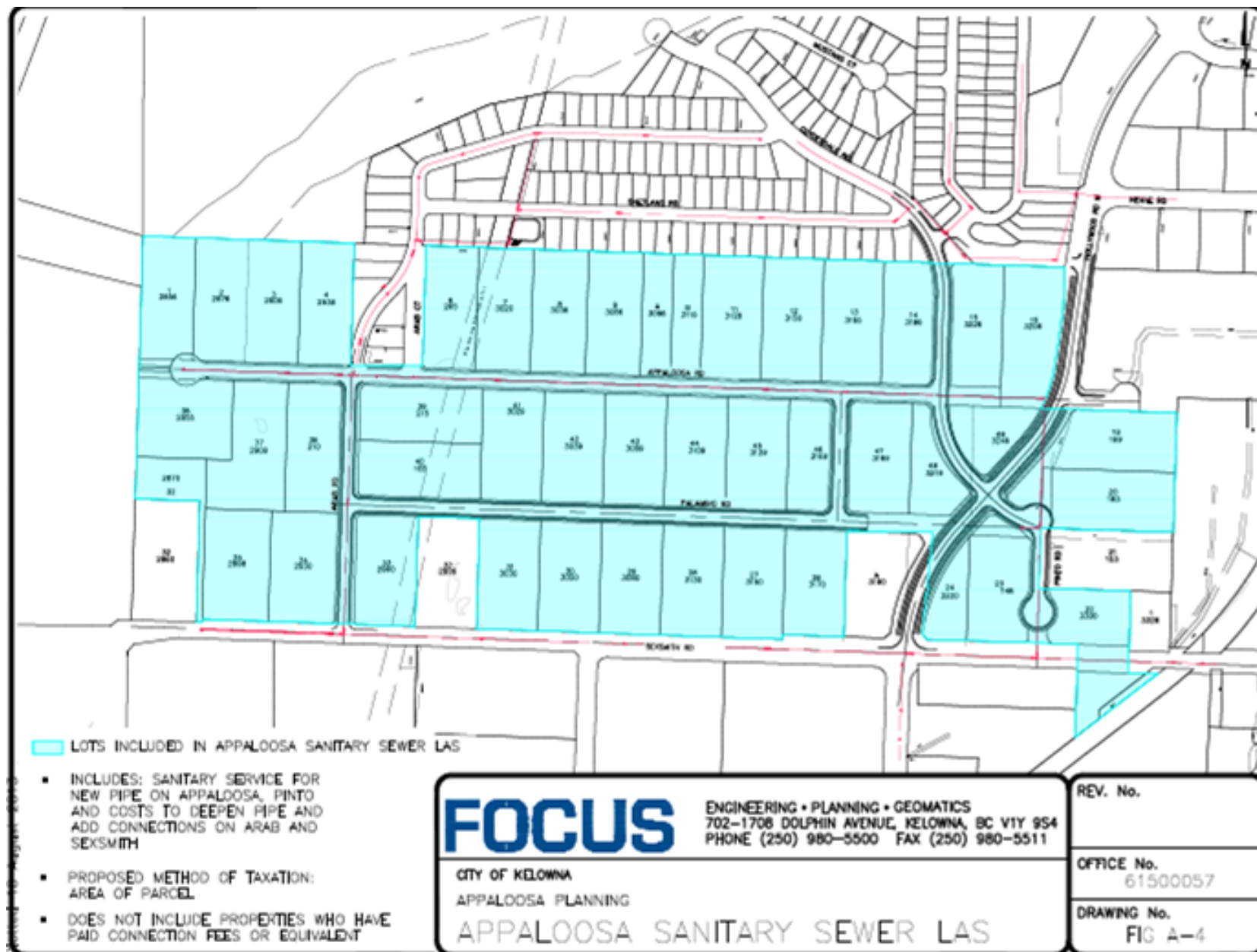
Attachment 4 - Fig A5, Appaloosa Water and Drainage Local Area Service

cc: Division Director, Community Planning & Real Estate
Director, Communications
Director, Civic Operations
Director, Financial Services
Director, Development Services
Manager, Land Use Management

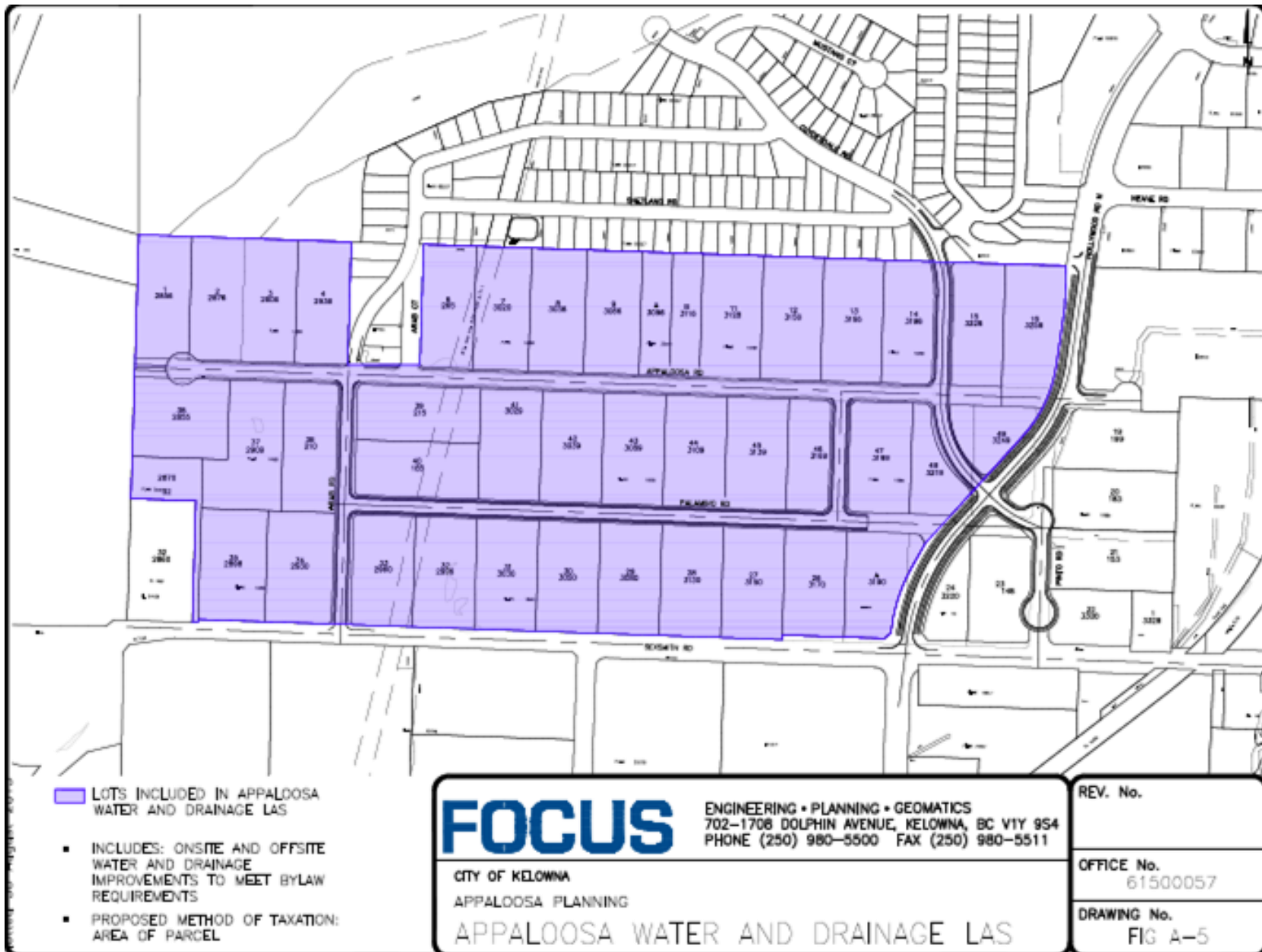
Attachment 1 - Fig A2, Subject Area



Attachment 3 - FIG A4, Appaloosa Sanitary Sewer Local Area Service



Attachment 4 - FIG A5, Appaloosa Water and Drainage Local Area Service



City of Kelowna

APPALOOSA PLANNING AREA PRE-DESIGN



DRAFT

Prepared by:

Focus Corporation

Suite 702, 1708 Dolphin Avenue
Kelowna, BC V1Y 9S4
Phone (250)980-5500

Submitted to:

City of Kelowna

Attention: Andrew Reeder, P.Eng.
City Hall
1435 Water Street
Kelowna, BC V1Y 1J4

August 2013

FOCUS

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Appendix D – Water Network Assessment

Appendix E – Breakdown of Construction Costs

Appendix F – Preliminary Design Drawings

1.0 BACKGROUND

The Kelowna City Council has received a number of applications from landowners in the Arab/Appaloosa/ Palamino road area to rezone there property for an Industrial land use. The Appaloosa Planning Area (Planning Area) is shown on **Figure A-1** in Appendix A.

At the December 3, 2012 City Council meeting, the Council requested that staff "...report back with option for amending the I6 – Low-Impact Transitional Industrial Zone, to ensure consistency of intent and purpose with the Kelowna 2030 – Official Community Plan (OCP)". Options were developed presented to Council at the March 25, 2013 Council meeting. Council directed staff to initiate the process to advance Sanitary Sewer Connection Area #35 to a Specified Sanitary Sewer Service Area and to accept no further Rezoning applications for the Planning Area, pending final resolution of land uses for the area.

In order for future rezoning of the lands in the Planning Area to proceed, improvements to the road network, water fire flow and the provision of sewer will be required.

Staff proposed that required improvements be identified with a pre-design exercise that would adjust the existing sewer pre-design, identify upgrades to the GEID water system to meet fire flow requirements, and create a pre-design for the road network and associated drainage improvements.

The OCP identifies a need for a road connector, "the Hollywood Extension" between Hollywood Road and Cambro Road to be constructed. Although this connector is part of the city's DCC road network, a pre-design for the connector and changes to the adjacent road network have never been completed. Some of the costs for the road network within the Planning Area will be associated with the DCC program. Other costs for road upgrades within the subject area would be appropriate to associate with the proposed local area service upgrades.

A pre-design for the road network in the Planning Area is required in order to present landowners with costs and to identify which upgrades would be funded by the DCC road program and which would be associated with local area service upgrades. The Hollywood Extension will be required whether or not landowners choose to proceed with a Specified Sanitary Sewer Service Area.

1.1 Introduction

Focus has prepared a Pre-Design for various components of the Planning Area. The Planning Area is approximately 37.5 ha (92.7 acres) in size. The City of Kelowna is considering rezoning a portion of the Planning Area from Agricultural to Industrial (IND-I6). The Planning Area is located outside of the ALR.

Focus was tasked to collaborate with the City's staff to prepare a roadway network and preliminary roadway and servicing design for the purposes of estimating costs to facilitate development of the Planning Area. Section 1 of this report provides a narrative of the assumptions, design criteria and considered options that were a part of the preparation of the preliminary design and cost estimating. This narrative is not intended to be an all-inclusive description of the cost estimating process.

1.2 CAD Base File Collection

The CAD base file was assembled from various sources of data. The following was received from the City of Kelowna:

- Cadastral linework;
- 2009 1.0m TRIM mapping contours and orthophoto;
- Field topographic survey of alignment corridor for Hollywood Road North;
- Conceptual alignment for Hollywood Road North (three variations);
- Conceptual sanitary sewer alignments and profiles on Appaloosa, Palamino, & Pinto roads.

Focus received CAD alignments for Arab Road and Sexsmith Road from CTQ Consultants Ltd. Focus reviewed scanned copies of engineered drawings for existing infrastructure in the area, specifically record numbers A-3490, A-4322, A-4681, A-4737, A-4747, and A-4879.

1.3 OCP Requirements

The City of Kelowna's Official Community Plan places the following planning constraints on the Planning Area:

Map 7.1 – Active Transportation Corridors: Hollywood Road North is designated a Future Active Transportation Corridor

Map 7.2 – Transit Plan: A Primary Transit Network is identified at Hollywood Road North and Sexsmith. The exact alignment of the route is indistinguishable.

Map 7.3 – 20 Year Major Road Network & Road Classification Plan: Hollywood Road North is identified as a 2 Lane Arterial and Clydesdale Road is identified as a 2 Lane Major Collector.

1.4 Roadway Network

The City had done some conceptual CAD work on some alignments for the Hollywood Road North connection. The alignments took into consideration the agreements worked out with some of the effected lot owners.

As a part of the OCP (Map 7.3), Clydesdale Road is to connect up to Hollywood Road North. One site plan stood out as the best option to connect the roadways at near 90 degree angles just north of the Palamino alignment. A round-about at the intersection was not favoured.

As traffic increases along Hollywood Road North, a traffic signal will likely be required at Sexsmith Road. Traffic is also expected to increase at the intersection of Sexsmith Road and Arab Road. This estimate does not include costs for traffic signals at any location.

Turning movements using a TAC WB-20 vehicle were simulated from Palamino Road onto Hollywood Road North. The results show a significant amount of off-tracking beyond the design curb return radius for the eastbound to southbound turning movement. This coupled with the close proximity of the intersection to Clydesdale resulted in the elimination of the intersection and the addition of a connector road between Palamino and Appaloosa through lot 3169 Appaloosa Road.

The site plan layout was submitted to the City staff on June 18, 2013 for review and approval prior to proceeding with the geotechnical investigation and utility layout.

1.5 Cross Sections

Hollywood Road North is designed as an Arterial roadway. The roadway cross section was determined by City staff and provided to Focus. The right-of-way width is widened between Sexsmith Road and Palamino Road to accommodate future bus pull-outs or a right turn only lane.

The design cross section for other roadways within the Planning Area is per City of Kelowna Subdivision and Servicing Bylaw No. 7900 standard detail SS-R5. This is a typical section for Collector roadways.

Detail SS-R5 provides two cross section options, one for rural conditions and one for urban conditions. Industrial zoning requires roadways to be constructed to the urban condition. For comparison purposes, Focus estimated the cost difference to develop 1,500 linear metres of roadway to the rural section versus the urban section. The estimate was submitted to the City in a letter dated June 19, 2013.

Arab Road was upgraded in 2009 to service the Sol Terra Ranch development. The upgraded roadway falls short of meeting the SS-R5 urban cross section. Focus assessed the necessary upgrades and estimated the associated costs to bring Arab Road into compliance with SS-R5. A letter was submitted to the City on June 26, 2013. The City has opted not to include additional upgrades to Arab Road as a part of the preliminary design and cost estimating for this project.

The road structure for the collector roadway was selected based on the geotechnical engineer's recommendation. The road structure for the arterial roadway (Hollywood Road North) and commercial lane was selected based on Bylaw No. 7900 Schedule 4 Table 4, using a CBR between 3 and 5. For the arterial roadway, the granular base was increased by 25mm to match the geotechnical engineer's recommendation for base thickness on the collector roadways.

1.6 Geotechnical Investigation

A geotechnical field investigation was conducted by Interior Testing Services Ltd. (ITS) on June 20, 2013. The investigation report dated July 10, 2013 is enclosed in Appendix C. Under the Trench Backfill section, the report states:

Based on the moisture contents on all of the recovered samples, the cohesive (CLAY and SILT) soils encountered are expected to be wet-of-optimum for re-use as compacted trench backfill.... In addition, the CLAY soils are anticipated to have moderate potential to swell/shrink with fluctuations in moisture content, in both their natural and re-compacted states.

Therefore we recommend imported granular materials be used as compacted trench backfill throughout the project area.

ITS acknowledges that importing trench backfill will have a significant impact on the project budget so they provided three (3) options to re-use the natural soils. Each alternative option increases the risk of road settlement over the life cycle of the road structure. A cost estimate comparison for the recommended trench backfill and three alternative options is not included as a part of this assignment.

ITS's third option is to use natural soils as backfill trench material within 1.0m of the subgrade and to place a geotextile across top of the native material. Focus developed a fourth option that meets ITS's recommended trench backfill in most cases; however, it incorporates aspects of ITS's third option where costs would become excessive to meet the recommended option. Focus has arbitrarily increased the 1.0m distance suggested by ITS to 2.0m. The majority of the pipe zones are within 2.0m from the subgrade. Therefore, native soil used as trench backfill will be limited.

Follow up communications with ITS confirmed that is it their opinion that consolidation from the mass of the roadway structure and traffic is not a concern with the in-situ CLAY soils provided that the road structure is constructed as recommended.

1.7 Centreline Survey

A centreline survey of the proposed roadways was completed by Focus on June 25, 2013. The survey was done using a RTK GPS unit. Centreline shots were taken at approximate 10m intervals. Existing utility poles, fire hydrants, water valve and manhole rims were also surveyed.

1.8 Street Lighting and Private Utilities

Streetlight spacing has been assumed at 30m, except for Appaloosa Road. Existing street lighting along Appaloosa Road is located on existing utility poles spaced between 65m and 130m. There are five (5) power poles that do not have a streetlight installed on them. We have assumed installation of a streetlight on each of these existing poles, reducing the spacing to an approximately 65m. No additional streetlights are proposed along Appaloosa.

It is assumed that all lots in the Planning Area are currently serviced with power, telephone, cable and gas. Where existing overhead lines cross the roadway to service individual lots, a let-down and buried conduit crossing is proposed. No additional services or upgrades for these utilities are included in the Pre-Design cost estimate.

1.9 Sanitary Sewer

Focus received conceptual alignments and profiles for the sanitary sewer from the City's staff. We reviewed the concept design and found the horizontal alignment to be acceptable for incorporation into our preliminary design. Once the roadway centerline vertical alignments were created, the profiles of the sewer mains were adjusted to suite the roadway finished grades.

Bylaw No. 7900 requires sanitary sewer mains to be a minimum diameter size of 250mm in Industrial zoned areas. Where the sanitary sewer ties into existing 200mm diameter sanitary sewer (Arab Road), the proposed sewer mains are sized at 200mm diameter.

Installation of sanitary sewer in Palamino Road is not required to service existing lots. Should any lot owner with frontage along Palamino Road decide to split their lot in the east-west direction, they will be responsible for any cost associated with the construction of a sanitary sewer main and lot service in the Palamino Road right-of-way.

1.10 Water Network

Using Bylaw No. 7900 Schedule 4 Section 1 as design criteria, Focus prepared a conceptual layout for proposed water mains. This included diameter sizes and fire hydrant locations. The concept layout was sent to the Glenmore Irrigation District for inclusion into their water model. On behalf of GEID, Aqua Consulting Inc. (Aqua) modeled the upgrades and issued a letter summarizing their analysis. The letter is enclosed in Appendix D.

The Planning Area is serviced by one watermain coming from the east. The existing main size is not adequate to supply the Planning Area with a fire flow that meets the design criteria for an Industrial zone. Aqua provides two options:

1. Upsize the watermain on Sexsmith Rd and Arab Rd to a 400mm dia.; or
2. Loop the watermain by constructing a main through private property between the Sol Terra Ranch development and the UBCO campus.

See **Figure B-1** in Appendix B for an aerial of each alignment.

The following provides additional commentary on the two options.

Option 1 – Upgrades on Sexsmith Rd and Arab Rd

Since the alignment is located in existing rights-of-way, this option is the most feasible from a planning perspective. This option is the most costly.

Option 2 – Loop to UBCO Campus

Aqua did not provide the size of watermain to be looped to UBCO. Focus has assumed the size is 300mm. This option has a few construction advantages over Option 1:

- a) The alignment is through unimproved land;
- b) The diameter of the watermain is smaller;
- c) A looped system provides better protection and service in a case of a shutdown where the system is not currently looped.

Acquisition of a statutory ROW is required for this alignment and is not included in the Pre-Design cost estimate. Based on discussions with City staff, it is assumed the land for the alignment will be granted to the City of Kelowna as a part of future land development activity by the private landowner.

The construction costs and traffic impacts are least for Option 2. This option is recommended and incorporated in the Pre-Design cost estimates.

As noted in the geotechnical investigative report, the in-situ soils are predominately CLAY. Corrosive clay soils are known to be present in the Kelowna area. An economical and effective solution to mitigate this risk is to wrap the ductile iron appurtenances installed on the watermain in polyethylene. This cost has been added to the Pre-Design cost estimates.

Installation of a watermain in Palamino Road is not required to service existing lots. Should any lot owner with frontage along Palamino Road decide to split their lot in the east-west direction, they will be responsible for any costs associated with the construction of a water main and service in the Palamino right-of-way.

1.11 Stormwater Management

A master stormwater plan for the Planning Area was prepared in 2002 by Urban Systems Ltd. See **Figure B-2** in Appendix B for the master drainage plan for the Planning area. Also see Figures 12-5 and 12-7 in the master plan on file with the City. The master plan was superseded by a stormwater management plan prepared by CTQ for the Sol Terra Ranch development. See **Figure B-3** in Appendix B for their drainage plan of the Planning Area and city file #S05-0064. CTQ's design established allowable flowrates to be intercepted and conveyed into the storm drain on Sexsmith Road. Note that land west of Arab Road is not included in CTQ's assessment.

Bylaw No. 7900 requires post developed conditions for the 100-yr return rainfall event to be detained and released at the pre-developed condition 5-yr return rainfall event. Therefore, CTQ's captured

flowrates were calculated for the 5-year return rainfall event. This bylaw requirement is restrictive and substantially increases the construction costs. Stormwater runoff from the catchment areas is routed to Mill Creek. The current condition of Mill Creek does not have enough capacity to convey the 100-yr return storm event within its channel. To reduce Mill Creek's flooding risks, detention of stormwater in conformance to the design criteria in Bylaw 7900 is reasonable.

As previously noted, land west of Arab Road is not accounted for in CTQ's assessment. This land receives offsite water from undeveloped land to the north. We have assumed the offsite water passes through the Planning Area without a reduction to the peak flowrate. A portion of the runoff from this land is intercepted and conveyed in the existing storm sewer located on Arab Road and Sexsmith Road. The remaining portion of the runoff is conveyed in an existing culvert that crosses Sexsmith Road and discharges onto the property to the south in a historical overland drainage course.

Using EPA SWMM 5.0, Focus prepared a post developed stormwater model with five (5) scenarios to release the 100-yr peak flowrate at the 5-yr pre-developed peak flowrate. The most favourable scenario was selected and multiple child models were created for further comparison until a final model was chosen for the Pre-Design.

An Ultimate Condition catchment area map is shown on **Figure B-4** in Appendix B. The existing terrain is undulating in the east-west direction, creating a series of low points and high points. Because of the undulating terrain and the various low points in the roadway profiles it causes, conveying the 100-yr storm event overland in the roadways is not a feasible option in all locations.

There are a number of methods to detain stormwater. Because of the high cost of industrial land, the City staff suggested a close look at underground detention systems. An 850cu.m subsurface detention system was recently installed in the Kane Road Commercial Development. Estimated supply and install for the tank portion was \$323,000 (= \$380/cu.m).

The City requested that any underground storage tank be low maintenance. Focus selected 1800mm and 2000mm diameter storm sewer pipe as a low maintenance option. Pipes can be installed in parallel with connecting laterals at the spring line to equalize the water level while keeping most of the sedimentation contained within one pipe section.

Three detention facilities were incorporated into the proposed design prior to discharging into the existing storm sewer system. Detention facilities are designed with a 10% volumetric safety factor. Note that the native underlying clay and silt soils are not conducive to groundwater infiltration. The detention facilities were selected for the following reasons:

Location (See Figure B-4)	Rational and Description
Appaloosa Road, west of Arab Road	This area was not included in CTQ's design. The existing storm sewer pipe on Arab Road and Sexsmith Road is not sized to accept a peak flowrate that is not detained. A large diameter storm sewer pipe is proposed for the facility. This facility is sized to detain the 5-yr storm event. The 100-yr storm event will be conveyed in the roadway to the detention facility on Palamino Road.
Palamino Road, east of Arab Road	This area is a low point and ROW exists for a detention facility. The detention facility needs to connect to the Sexsmith storm sewer system. The storm sewer in Sexsmith Road directly south of this location does not have capacity to accept the released flowrate. Therefore, a directional drilled pipe is proposed to connect with the storm sewer in Hollywood Road. The detention system on Palamino Road allows for a smaller diameter pipe to be directionally drilled. A temporary ditch is proposed for the interim condition and a large diameter storm sewer pipe is proposed for the ultimate condition.
Hollywood Road, north of Sexsmith Road	The southeast corner of the Planning Area is the lowest point and is where the proposed storm system connects to the existing storm sewer in Sexsmith Road. A dry pond is proposed to detain the 100-yr storm event. The pond collects storm water runoff via the storm sewer system and overland routes.

Budget supply costs for three material types were received from suppliers; The Langley Concrete Group for reinforced concrete pipe (RCP), Atlantic Industries Limited for polymer-laminated corrugated steel pipe (CSP), and Armtec for a high density polyethylene pipe (HDPE). Budget supply costs and for the 2000mm diameter polymer CSP was least and averaged \$220/cu.m. HDPE and RCP pipe were approximately 1.1 and 1.3 times the cost of the CSP, respectively. Polymer CSP protects the steel from corrosion and has an estimated life-span three times longer than uncoated CSP. The polymer CSP and HDPE pipe will need to be reviewed for approval by the City of Kelowna. An install cost is estimated at 1.5 times the supply cost.

One amalgamated lot is planned for the properties between Hollywood Road and Pinto on the north side of Sexsmith Road. The area is approximately 1.1 ha (2.7 acre). The land is owned by the City and

can be utilized to locate a detention facility. Land costs are estimated at \$400,000/acre for dry ponds and \$200,000/acre for underground detentions systems.

For information purposes only, high-level costs for two scenarios are presented in the following table:

Scenario	Large Dia. Storm Sewer Detention Cost	Dry Pond Costs	Net Land Value	Total Costs
Scenario 1: 3,386 cu.m Underground Storage: 2000mm large diameter pipe; Area = 4,000 sq.m (1ac)	\$1,117,000	N/A	\$200,000	\$1,317,000
Scenario 2: 3,386 cu.m Dry Pond: minimal surface enhancement with approx. average depth of 1.0m; Area = 5,400 sq.m (1.3ac)	N/A	\$25,000	\$532,000	\$557,000

Scenario 2 is recommended over Scenario 1. A dry pond has been integrated into this Pre-Design report.

Stormwater quality treatment is required to treat, at a minimum, all flows up to 50% of the 2-year post development peak flowrate. Stormceptor locations are proposed where appropriate and can be relocated as needed. Stormceptors were sized and budgetary costs for supply were provided to Focus by The Langley Concrete Group.

The stormwater detention facilities and piping system presented in this Pre-Design is conceptual only.

1.12 Preliminary Design - Plan and Profiles

Preliminary design plan and profile drawing have been prepared for the roadway and deep utilities. The preliminary design drawings were created for the purposes of preparing the cost estimates. Drawings are enclosed in Appendix F and are for reference purposes only. The preliminary design is not necessarily the optimum design for the Planning Area.

1.13 Landscaping

Bylaw 7900 requires Collector and Arterial roadways to be landscaped. Landscaping strips for Hollywood Road North were provided by the City. The following assumptions were used for landscaping:

Roadway Name	Landscape
Hollywood Road North	Each Side and Median: <ul style="list-style-type: none"> • Trees spaced at 30m each side median • Shrubs and ground cover • 150mm topsoil • Irrigated
Clydesdale Road	Each Side: <ul style="list-style-type: none"> • Trees spaced at 30m each side • Shrubs and ground cover • 150mm topsoil • Irrigated
Appaloosa Road Palamino Road Pinto Road Connector roadway	Each Side: <ul style="list-style-type: none"> • Shrubs and ground cover • 150mm topsoil

2.0 SERVICE AREA DESCRIPTIONS

The Planning Area is divided into six funding areas.

2.1 Hollywood Development Cost Charges

The Hollywood DCC service area includes all roadway improvements as coloured in green on **Figure A-2** in Appendix A. This includes street lighting and landscaping and is generally described as follows:

- a) Hollywood Road North from Sexsmith to the northern limits of the Planning Area
- b) Clydesdale Road from Appaloosa Road to Pinto Road
- c) Pinto Road

2.2 University South Future Development Costs

The University South costs include all roadway improvements as coloured in light blue on **Figure A-2** in Appendix A. This includes street lighting and landscaping and is generally described as follows:

- a) Clydesdale Road from Shetland Road to Appaloosa Road

2.3 Sexsmith Development Cost Charges

A DCC fund exists for Sexsmith Road improvements. Palamino Road and the connector road will be added to the Sexsmith DCC. The additional Sexsmith DCC service area includes all roadway improvements for Palamino Road and the connector road as coloured in purple on **Figure A-2** in Appendix A. This includes street lighting and landscaping and is generally described as follows:

- a) Palamino Road from Arab Road to the connector road
- b) The connector road between Palamino and Appaloosa

2.4 Local Area Services

Municipal governments, under the Provincial Community Charter, can recover costs for a particular service or capital improvement from those properties receiving direct benefit. This legal mechanism for this is called a Local Area Service (LAS). In this particular case, three service areas have been developed to correspond to the benefit each area is receiving.

Costs in each of the service areas do not include the financing and costs to borrow.

2.4.1 Appaloosa Roadway Local Area Service

The Appaloosa Roadway LAS generally includes all roadway improvements as coloured in yellow on **Figure A-2**. This includes additional street lighting, landscaping, and shallow utility crossings. Lots

included in the proposed Appaloosa Roadway LAS are shown on **Figure A-3** in Appendix A. Lots are limited to those fronting Appaloosa Road as these are the only lots that benefit from the proposed improvements on Appaloosa Road.

2.4.2 Appaloosa Sanitary Sewer Local Area Service

The Appaloosa Sanitary Sewer LAS generally includes all sanitary sewers with new pipe on Appaloosa Road and Pinto Road, as well as costs to deepen sanitary pipe and add connections along Arab Road and Sexsmith Road. Lots included in the proposed Appaloosa Sanitary Sewer LAS are shown in **Figure A-4** in Appendix A.

As a part of recent development, the sewer mains on Sexsmith Road and Appaloosa Road were upgraded. To accommodate the connection of future sewer mains, the City contributed funds to deepen the sewer. Lots in the Appaloosa Sanitary Sewer LAS are limited to those which benefit from the proposed sanitary sewer mains and existing sewer mains that were deepened. Lot owners who have already connected to the sewer main on Sexsmith Road and paid connection cost charges are excluded from the LAS.

2.4.3 Appaloosa Water and Drainage Local Area Service

The Appaloosa Sanitary Sewer LAS generally includes all potable water system improvements and drainage improvements west of Hollywood Road and the off-site watermain. Lots included in the proposed Appaloosa Water and Drainage LAS are shown in **Figure A-5** in Appendix A.

Currently, no lot within the Planning Area is serviced by a water system that meets industrial land use fire flow requirements per city Bylaw No. 7900. Upgrading and extending the existing water system to meet industrial land use fire flow requirements benefits all lots within the possible future industrial zone.

Currently, no lot within the Planning Area meets the industrial land use drainage requirements per Bylaw No. 7900. Stormwater management for the Planning Area is only effective and economical if designed with a cohesive strategy to accommodate all the land in the Planning Area. All lots within the possible future industrial zone will benefit from the improvements.

3.0 PRE-DESIGN COST ESTIMATES

Cost estimate classifications referenced in this section are in accordance to the *Budget Guidelines for Consulting Engineering Services* issued in 2009 by Consulting Engineers of BC and the Association of Professional Engineers and Geoscientists BC.

The following Class B cost estimates are separated into six locations with limits of scope as described in Section 2.0 and **Figures A-2** through **A-5** in Appendix A. Except where noted, the costs do not consider land acquisition purchases, taxes, permits, legal fees, legal surveys, financing charges, costs to borrow, fencing, Land Title fees, and driveways.

3.1 Hollywood DCC

Description	Cost
Roadways	\$1,386,720
Shallow Utilities	\$103,966
Misc. Items	\$52,000
Subtotal	\$1,542,686
20% Contingency	\$308,537
15% Engineering & Proj. Mng.	\$231,403
Hollywood DCC Total	\$2,082,626

3.2 University South

Description	Cost
Roadways	\$297,210
Shallow Utilities	\$27,650
Misc. Items	\$14,100
Subtotal	\$338,960
20% Contingency	\$67,792
15% Engineering & Proj. Mng.	\$50,844
University South Total	\$457,596

3.3 Sexsmith DCC

Description	Cost
Roadways	\$955,984
Shallow Utilities	\$90,760
Misc. Items	\$38,000
Subtotal	\$1,084,744
20% Contingency	\$216,949
15% Engineering & Proj. Mng.	\$162,712
Sexsmith DCC Total	\$1,464,404

3.4 Appaloosa Roadway LAS

Description	Cost
Roadways	\$1,025,668
Shallow Utilities	\$61,600
Misc. Items	\$47,500
Subtotal	\$1,134,768
20% Contingency	\$226,954
15% Engineering & Proj. Mng.	\$170,215
Appaloosa Roadway LAS Total	\$1,531,937

3.5 Appaloosa Sanitary Sewer LAS

Description	Cost
Sanitary System	\$283,815
Subtotal-A	\$283,815
25% Contingency	\$70,954
15% Engineering & Proj. Mng.	\$42,572
Subtotal-B	\$397,341
Deepened Sewer Main	\$92,708
Subtotal-C	\$92,708
Appaloosa Sani Sewer LAS Total (B+C)	\$490,049

3.6 Appaloosa Water and Drainage LAS

The following Class D cost estimate is for the two options to construct a watermain as described in Section 1.10. The costs are limited to supply, install, road restoration, fittings, hydrants, removal and reuse of unsuitable material, traffic control, 50% contingency, and 16% design and construction engineering.

Option	Size	Cost/m	Length	Cost
1. Upgrades to Sexsmith and Arab	400mm	\$992	1,410	\$1,399,073
2. Loop to UBCO Campus	300mm	\$372	1,425	\$530,100

Notes

1) See Figure B-1 in Appendix B for a map of the alignment options

Option 2 is recommended over Option 1. See Section 1.10 for discussion.

The Appaloosa Water and Drainage LAS cost estimate is as follows:



Description	Cost
Storm Sewers	\$689,516
Water System	\$185,475
Misc. Items	\$42,000
Subtotal-A	\$916,991
25% Contingency	\$229,248
15% Engineering & Proj. Mng.	\$137,549
Subtotal-B	\$1,283,787
Offsite Watermain	\$530,100
Subtotal-C	\$530,100
40% Contingency	\$212,040
Subtotal-D	\$742,140
Land Costs (Dry Pond)	\$532,000
Subtotal-E	\$532,000
Appaloosa Water and Drainage LAS Total (B+D+E)	\$2,557,927

Prepared By:
Jared Bunch, P.Eng.

APPENDIX A

Figures

- A-1 Planning Area
- A-2 Separation of Costs by Roadway
- A-3 Appaloosa Roadway LAS
- A-4 Appaloosa Sanitary Sewer LAS
- A-5 Appaloosa Water and Drainage LAS

 POSSIBLE FUTURE I6 ZONING
 PLANNING AREA BOUNDARY

FOCUS

ENGINEERING • PLANNING • GEOMATICS
 702-1708 DOLPHIN AVENUE, KELOWNA, BC V1Y 9S4
 PHONE (250) 980-5500 FAX (250) 980-5511

CITY OF KELOWNA

APPALOOSA PLANNING

PLANNING AREA

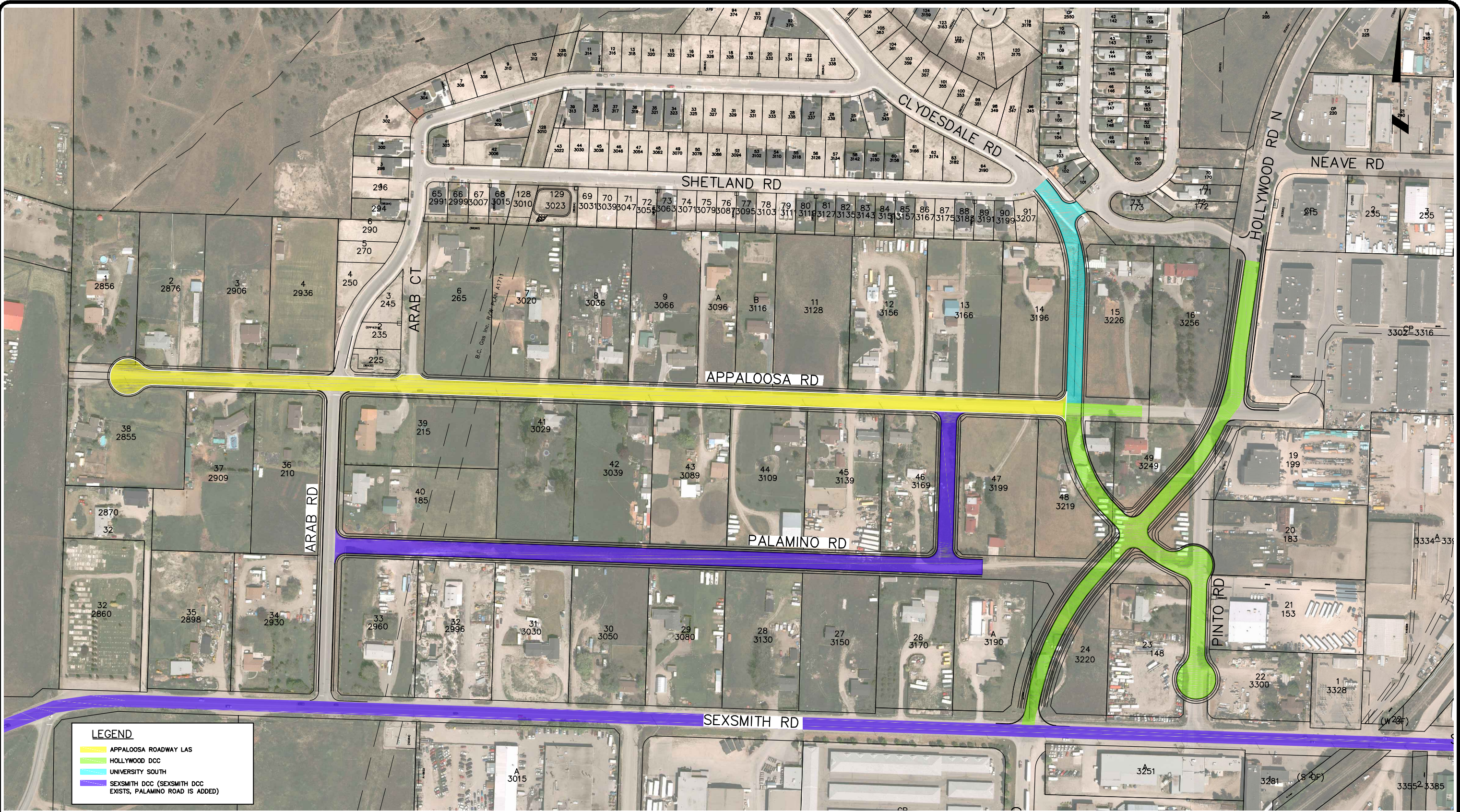
REV. No.

OFFICE No.

61500057

DRAWING No.

FIG A-1



DATE	REV	DESCRIPTION	BY	APPR.

SCALES	NTS
DATE	2013/08/07
APPROVED	
DESIGN BY	JB
DRAWN BY	OM
CHECKED BY	JB

SEAL

FOCUS

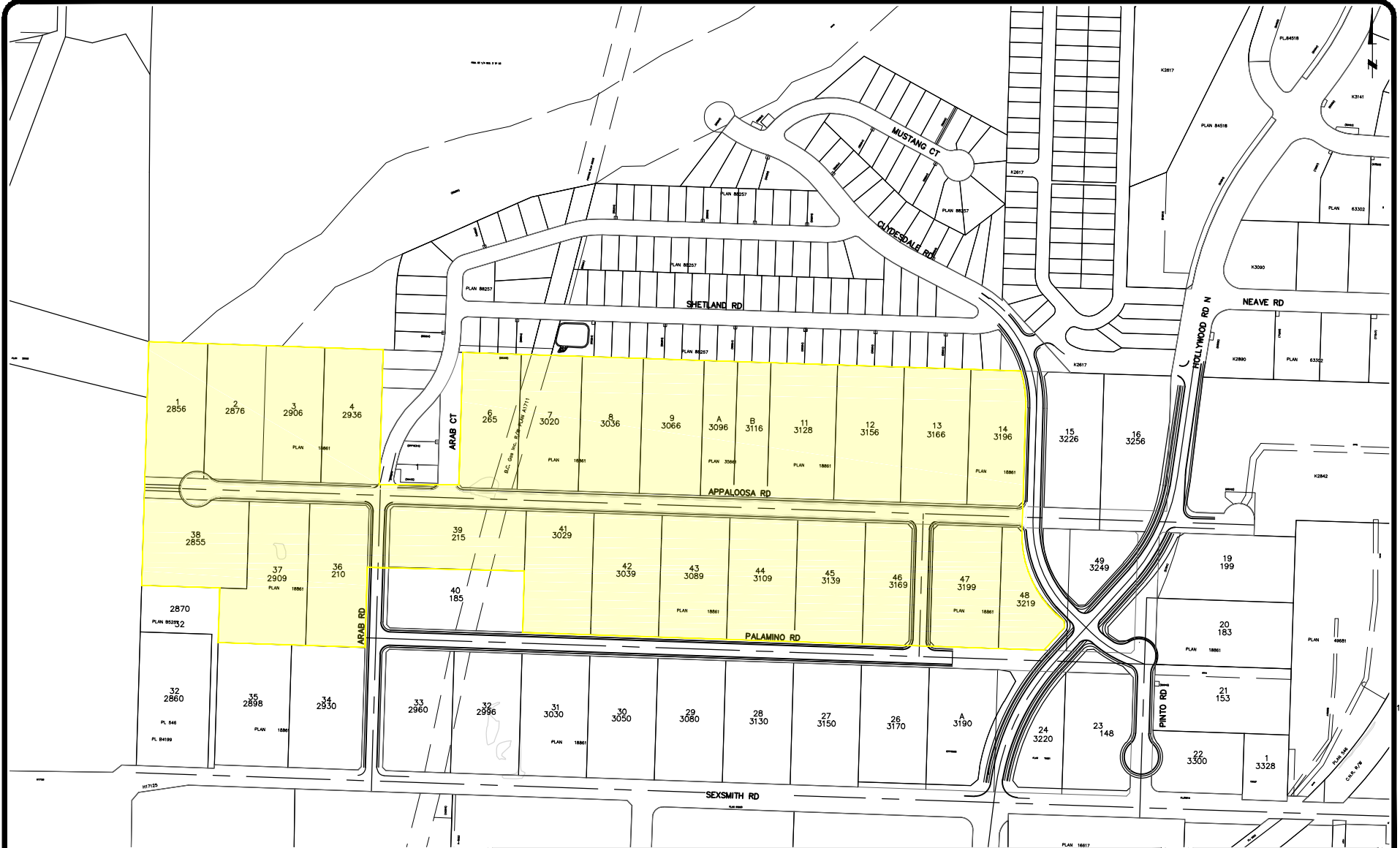
ENGINEERING • PLANNING • GEOMATICS
702-1708 DOLPHIN AVE. KELOWNA, B.C. V1Y 9S4
PHONE (250) 980-5500 FAX (250) 980-5511

CITY OF KELOWNA

APPALOOSA PLANNING AREA

SEPARATION OF COSTS BY ROADWAY

REV. No.
OFFICE No. 61500057
DRAWING No. FIG A-2



LOTS INCLUDED IN APPALOOSA ROADWAY LAS

- INCLUDES: ROADS, STREETLIGHTS, LANDSCAPING, AND SHALLOW UTILITY ROAD CROSSINGS
- PROPOSED METHOD OF TAXATION: FRONTAGE LENGTH

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 PHONE (250) 980-5500 FAX (250) 980-5511

CITY OF KELOWNA

APPALOOSA PLANNING

APPALOOSA ROADWAY LAS

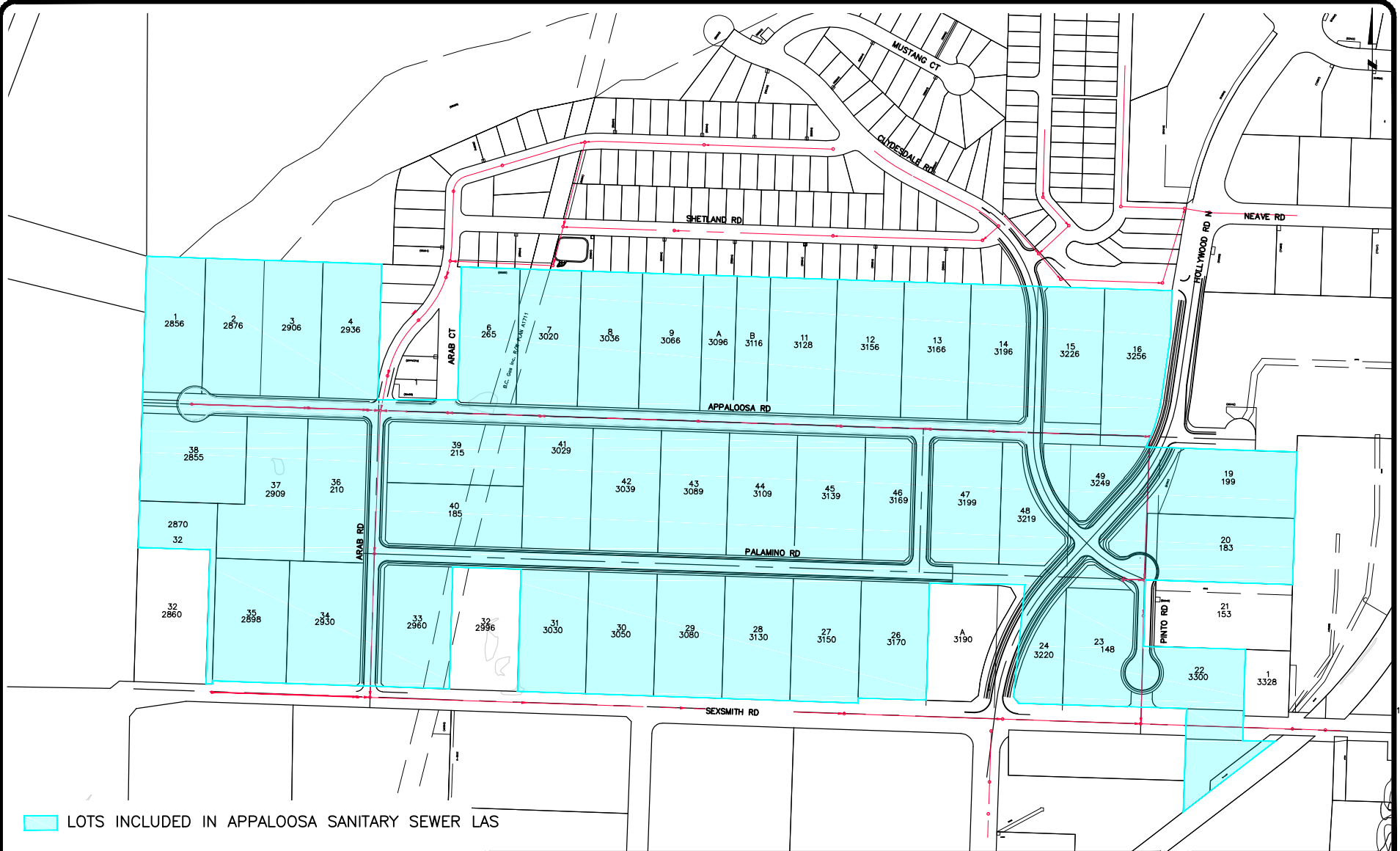
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OFFICE No.

61500057

DRAWING No.

FIG A-3



LOTS INCLUDED IN APPALOOSA SANITARY SEWER LAS

- INCLUDES: SANITARY SERVICE FOR NEW PIPE ON APPALOOSA, PINTO AND COSTS TO DEEPEN PIPE AND ADD CONNECTIONS ON ARAB AND SEXSMITH
- PROPOSED METHOD OF TAXATION: AREA OF PARCEL
- DOES NOT INCLUDE PROPERTIES WHO HAVE PAID CONNECTION FEES OR EQUIVALENT

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 PHONE (250) 980-5500 FAX (250) 980-5511

CITY OF KELOWNA

APPALOOSA PLANNING

APPALOOSA SANITARY SEWER LAS

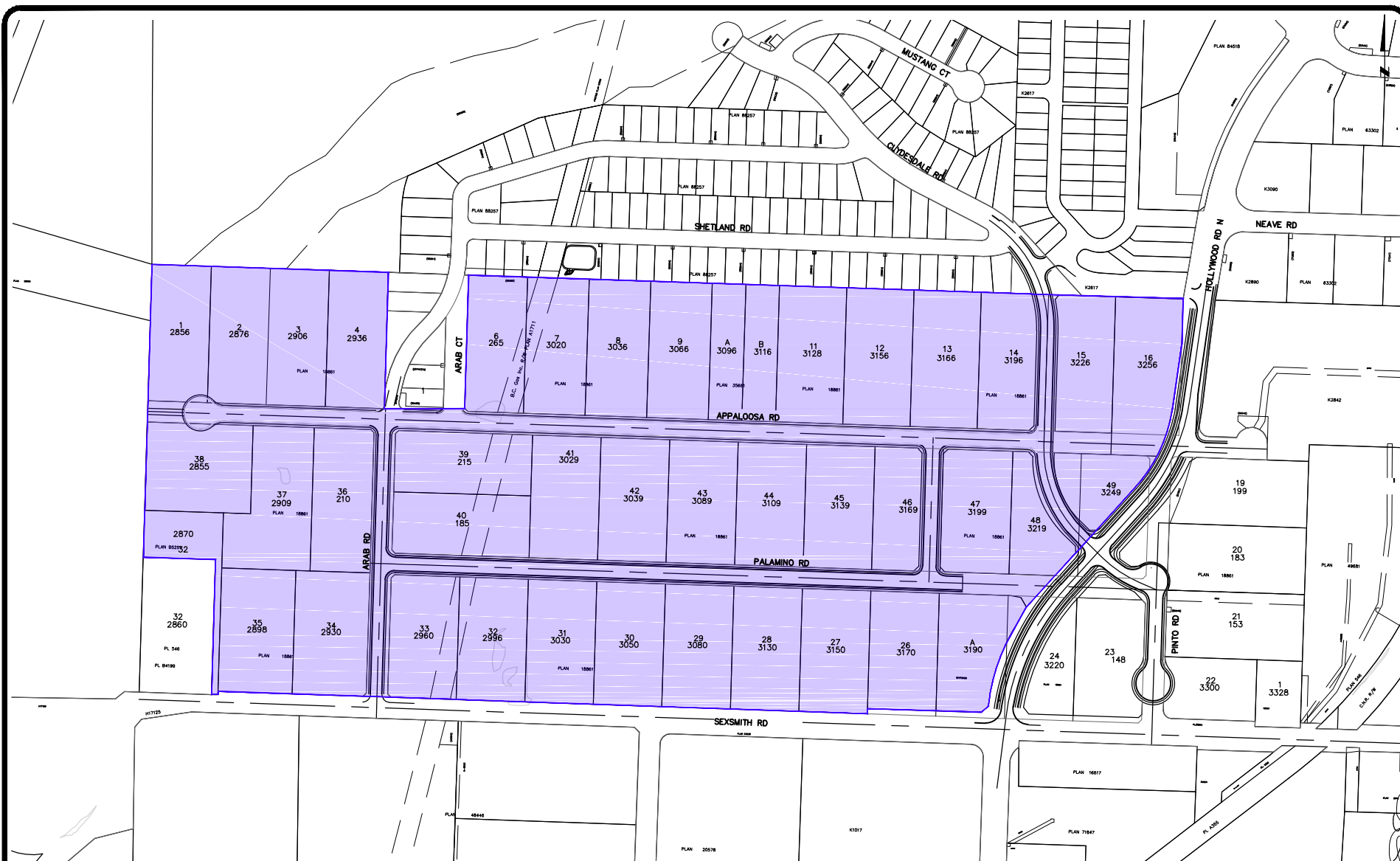
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OFFICE No.

61500057

DRAWING No.

FIG A-4



- **LOTS INCLUDED IN APPALOOSA WATER AND DRAINAGE LAS**
- **INCLUDES: ONSITE AND OFFSITE WATER AND DRAINAGE IMPROVEMENTS TO MEET BYLAW REQUIREMENTS**
- **PROPOSED METHOD OF TAXATION: AREA OF PARCEL**

FOCUS

CITY OF KELOWNA

APPALOOSA PLANNING

APPALOOSA WATER AND DRAINAGE LAS

ENGINEERING • PLANNING • GEOMATICS
702-1708 DOLPHIN AVENUE, KELOWNA, BC V1Y 9S4
PHONE (250) 980-5500 FAX (250) 980-5511

REV. No.

OFFICE No.

61500057

DRAWING No.

FIG A-5

APPENDIX B

Figures

- B-1 Watermain Upgrade Options
- B-2 Master Planned Drainage Conditions
- B-3 Existing Drainage Conditions
- B-4 Ultimate Drainage Conditions

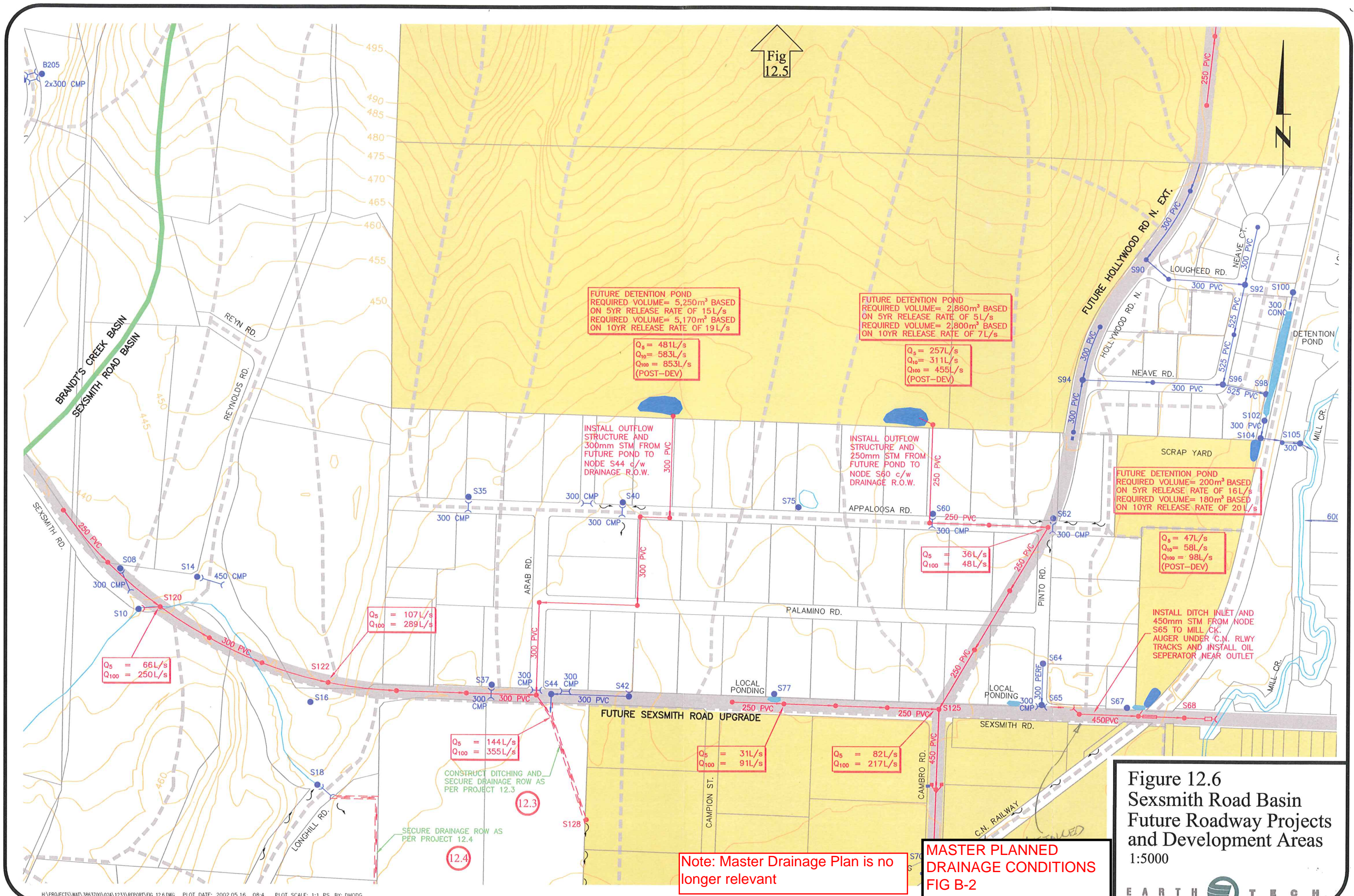


Figure 12.6
Sexsmith Road Basin
Future Roadway Projects
and Development Areas
1:5000

Manhole Up	Manhole Down	Pipe Size (mm)	Slope (%)	5yr STORM	
				Q5 (Lps)	Pipe Cap. (%)
D1	D32	250	1.88	14	15
D32	D33	250	3.15	29	23
D33	D34	250	1.56	29	33
D34	D35	375	0.60	29	18
D35	D36	375	0.65	134	83
D36	D37	375	0.50	134	91
D37	D38	375	0.55	134	87
D38	D39	450	0.30	187	100*
D39	D40	450	0.20	187	100*
D40	D41	450	0.20	187	100*
D41	EX—MH	450	0.40	256	100*

NOTES:



1. POST-DEVELOPMENT FLOWS DETERMINED USING STORMNET STORMWATER MODELING SOFTWARE. SEE STORM WATER MANAGEMENT PLAN REPORT FOR DETAILS.
2. RAINFALL INTENSITIES DERIVED FROM THE KELOWNA AIRPORT IDF CURVES (1997), AS PER CITY OF KELOWNA SUBDIVISION, DEVELOPMENT & SERVICING BYLAW NO. 7900, SCHEDULE 4, SECTION 3.
3. SUBCATCHMENT PEAK FLOWS ARE BASED ON 5yr AND 100yr STORM EVENTS OVER A 1 HOUR DURATION.



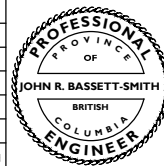
EXISTING DRAINAGE
CONDITIONS
FIG -B-3

Legend

- SUBCATCHMENT BOUNDARIES
- SUBCATCHMENT AREA (HECTARES)
- DRAINAGE DITCH
- CULVERT
- EXISTING STORM PIPE
- PROPOSED STORM PIPE

383 MINOR STORM PEAK FLOW
 5 YR OVERLAND FLOW
 5 YR IN-PIPE FLOW

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--



Drawn	ST/HK
Design	ST
Approved	
Date	OCT. 2008
Scale	1:2500

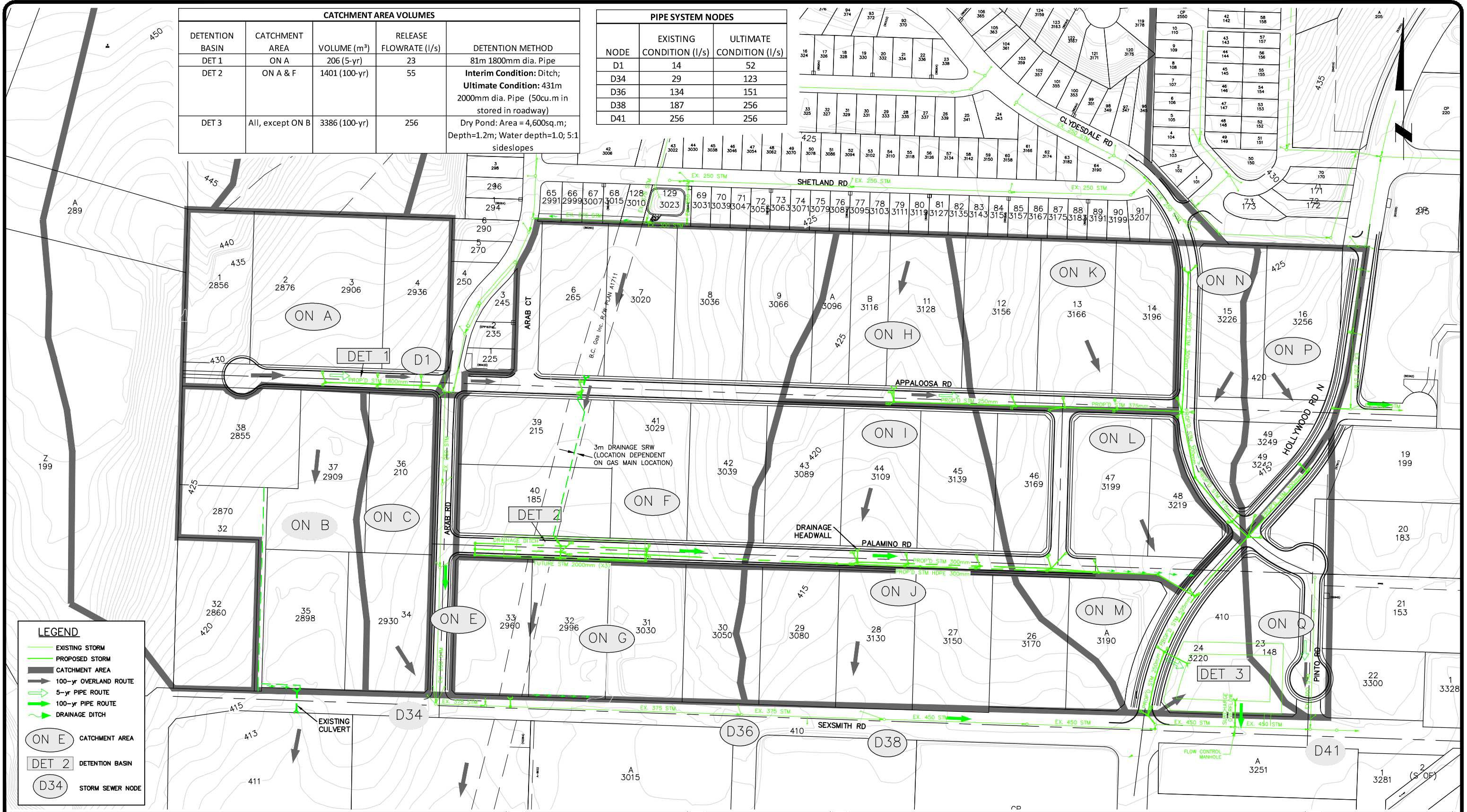
CITY FILE # S05-0064 0402
THE CITY OF KELOWNA
ENGINEERING DEPARTMENT
SOL TERRA RANCH
OFFSITE STORM
STORMWATER MANAGEMENT PLAN

CTO 04026
 PHONE: 250-979-1221
Consultants Ltd.

Division
MUNICIPAL

Drawing No. ST-204

Rev No. 162



CATCHMENT AREA VOLUMES				
DETENTION BASIN	CATCHMENT AREA	VOLUME (m³)	RELEASE FLOWRATE (l/s)	DETENTION METHOD
DET 1	ON A	206 (5-yr)	23	81m 1800mm dia. Pipe
DET 2	ON A & F	1401 (100-yr)	55	Interim Condition: Ditch; Ultimate Condition: 431m 2000mm dia. Pipe (50cu.m in stored in roadway)
DET 3	All, except ON B	3386 (100-yr)	256	Dry Pond: Area = 4,600sq.m; Depth=1.2m; Water depth=1.0; 5:1 sideslopes

PIPE SYSTEM NODES		
NODE	EXISTING CONDITION (l/s)	ULTIMATE CONDITION (l/s)
D1	14	52
D34	29	123
D36	134	151
D38	187	256
D41	256	256

LEGEND

EXISTING STORM

PROPOSED STORM

CATCHMENT AREA

100-yr OVERLAND ROUTE

5-yr PIPE ROUTE

100-yr PIPE ROUTE

DRAINAGE DITCH

ON E

CATCHMENT AREA

DET 2

DETENTION BASIN

D34

STORM SEWER NODE

DATE	REV	DESCRIPTION	BY	APPR.

SCALES 1:3000

DATE 2013/07/09

APPROVED

DESIGN BY JB

DRAWN BY OM

CHECKED BY JB

SEAL

FOCUS

ENGINEERING • PLANNING • GEOMATICS
702-1708 DOLPHIN AVE. KELOWNA, B.C. V1Y 9S4
PHONE (250) 980-5500 FAX (250) 980-5511

CITY OF KELOWNA
APPALOOSA PLANNING
ULTIMATE DRAINAGE CONDITIONS

REV. No.

OFFICE No.
61500057

DRAWING No.
FIG B-4

163

APPENDIX C

Geotechnical Investigation Report



MATERIALS TESTING • SOILS
CONCRETE • ASPHALT • CORING
GEOTECHNICAL ENGINEERING

1 - 1925 KIRSCHNER ROAD
KELOWNA, B.C. V1Y 4N7
PHONE: 860-6540
FAX: 860-5027

Focus Corporation
Suite 702, Landmark II, 1708 Dolphin Avenue
Kelowna, BC V1Y 9S4

July 10, 2013
Job 13.086

Attention: Mr. Jared Bunch, P.Eng

Dear Sir:

Re: **Geotechnical Investigation
Proposed Infrastructure Upgrades
Appaloosa, Palomino, Pinto Roads
Kelowna, BC**

As requested, Interior Testing Services Ltd. (ITSL) has carried out a geotechnical investigation for the above noted project. Please find attached a site plan showing the locations and schematic logs of our test holes, 13 pages of test hole logs. Also attached as Appendix A are three pages of previous test holes logs advanced near the project area, as well as is a copy of our two page 'Terms of Engagement', which governs our work.

INTRODUCTION

We understand overall infrastructure upgrades, including utility installation, construction of Palomino Road and re-alignment of Pinto and Clydesdale Roads are proposed in the Sexsmith Road area of Kelowna, BC.

The purpose of our investigation was to identify the subsurface soil and groundwater conditions with respect to the proposed construction. Our report presents our findings and provides recommendations for proposed utility installation and road construction.

FIELD INVESTIGATION

On June 20, 2013, a machine auger drill rig operated by Blue Max Drilling was used to advance 13 auger holes to roughly 6 m below grade within the project area. The auger holes were observed and logged in the field, with occasional soil samples recovered and returned to our laboratory for moisture content determination.

Locations of the auger holes are approximately referenced to the site plan provided by Focus Corporation. For additional information, we have also included logs from test holes previously advanced within the general area.

RESULTS

Locations and schematic logs of the auger holes are shown on the site plan (Drawing 13.086-1) and detailed soil descriptions are provided on the individual test hole logs (Drawings 13.086-2 to 13.086-14 and Appendix A), which should be used in preference to the generalized descriptions that follow.

a) Existing Pavement Structure Profile

Six of the 13 auger holes were advanced in the roadway. Approximate asphalt thicknesses ranged from 70 mm at the south end of Clydesdale Road and 80 to 100 mm along Appaloosa Road. Road subbase gravel FILL was observed within these auger holes, with approximate thicknesses typically between 300 and 600 mm, to a maximum of 1 m at auger hole 13-7 (AH13-7).

Based on our visual assessment of the existing asphalt and overall road conditions, the roadways generally appeared to be in relatively good condition. The assessment of the pavement condition is based on the presence of cracking, potholes or signs of road base failure as well as brittleness of the asphalt surface.

b) Soil Profile

Based on the results of the auger holes, beneath the road pavement structure, the underlying soils are typically comprised of interlayered, natural stiff to hard cohesive soils. In general, this included predominantly CLAY soils along Appaloosa Road and at either end of Palomino Road.

At the high-lying area near the middle of the proposed Palomino Road easement (AH13-9 to AH13-12), primarily SILT soils were encountered, underlain by similar SILT/CLAY deposits.

A noted exception includes AH13-1, at the south end of Clydesdale Road (which is geodetically higher in elevation by +/- 10 m), where the underlying soils showed silty, gravelly SAND.

Occasional SAND soil layers were sporadically encountered throughout the soil profile. In some instances, the sands were noted to be in a moist to wet condition, and we speculate groundwater may be perched in these sand layers overlying the relatively impermeable, hard CLAY soils.

Moisture contents were determined for all of our recovered grab samples. In general, the SILT/CLAY mixtures contained between roughly 35 and 45% moisture, the SILT soils contained between roughly 15 to 30% moisture, and the predominantly SAND layers contained between roughly 10 and 20% moisture.

c) Groundwater Conditions

Groundwater was not encountered in our test holes at the time of our investigation. However, notable moisture content was often observed in the occasional sand layers, which is suspected to be water or moisture perched above the underlying, relatively impermeable CLAY soils.

Groundwater levels are expected to vary seasonally, and will be affected by runoff conditions/recharge from the lands above. Furthermore, groundwater characteristics will be affected by drainage and infiltration conditions.

CONSTRUCTION CONSIDERATIONS

a) Trench Backfill

Based on the moisture contents determined on all of the recovered samples, the cohesive (SILT and CLAY) soils encountered are expected to be wet-of-optimum for re-use as compacted trench backfill to 95% Modified Proctor Density (MPD). Typical optimum moisture contents for SILT and SILT/CLAY soils would be on the order of 15 to 30% moisture. In addition, the CLAY soils are anticipated to have moderate potential to swell/shrink with fluctuations in moisture content, in both their natural and re-compacted states.

Therefore we recommend imported granular materials be used as compacted trench backfill throughout the project area. We realize that this recommendation will have a significant impact on the project budget, so that options for re-using the natural soils have been considered, as follows.

If properly mixed with drier SAND and GRAVEL, it may be possible to reduce the moisture content and swell/shrink potential of the SILT/CLAY soils so that

compaction to at least 95% MPD may be achievable, although this is anticipated to be relatively challenging.

If a reduced roadway performance is acceptable, virtually all of the excavated materials could be re-used as trench backfill with compaction carried out as best as possible. The risk of maintenance or reduced roadway performance may be relatively small so that the cost/benefit analysis may result in considerable project cost savings related to importing granular soils as opposed to the potential of road settlement and swell/shrink.

Alternatively, it may be feasible to use the wet of optimum or poorer quality materials as backfill in the bottom portion of the utility trench with compaction carried out as best as possible. A good quality, well-compacted granular backfill cap (roughly 1 meter) could then be placed, perhaps in conjunction with a geotextile. The overlying, well-compacted fill may be sufficient to bridge over the poor quality underlying fill, but some settlement, swell, and long-term maintenance requirements would need to be tolerable. However, based on our previous experience, this should provide a serviceable road.

Of additional note, there may be some consequences of variable subgrade materials between the proposed compacted granular backfill and natural cohesive soils, including potential swell/shrinkage of the CLAY soils and/or frost heave. In this case, only moderate swell potential of the CLAY soils is expected given that their moisture contents are typically at or above the plastic limits for the soil.

Regardless, if natural soils are desired to be used as trench backfill (as opposed to imported granular soils as recommended), additional laboratory testing is recommended. This will be required to provide further design guidance with respect to granular subgrade/subbase thicknesses and geogrid specifications, as well as more detailed estimates of potential settlement and/or swell to better understand the risks and potential cost benefits.

b) Groundwater

As noted above, groundwater was not encountered in any of our test holes within the project area at the time of our investigation; however, occasional potential perched water was observed within the fine granular soils overlying the relatively impermeable CLAY soils.

It is possible that other localized perched tables or drainage may be encountered, possibly related to local septic fields or other surface drainage, as the cohesive soils encountered were typically quite moist.

c) Utilities and Bearing Conditions

Given the potential for sulphates in the natural CLAY soils in the general area, we recommend that any utilities that may be prone to sulphate attack should be reviewed by your civil engineer. Specifically, we recommend that sulphate resistant concrete be used for your manhole barrels.

Conditions for pipe and manhole support are generally good, as the natural ground appears competent.

d) Trench Cut Slopes

For cut slopes up to roughly 3 m in height, conventional Worksafe BC (WCB) side slopes of 3 Horizontal to 4 Vertical (0.75H:1V) should be satisfactory. If and where confirmed by in the field at the time of construction, steeper slopes (2V:1H) may be possible within the SILT/CLAY soils.

We anticipate that slope cuts in excess of 3 meters in stiff cohesive soils would be feasible; however this should also be reviewed in the field by ITSL at the time of construction.

ROAD RECONSTRUCTION

Based on our visual assessment during our soils investigation, the existing roadways within the project area generally appear to be in relatively good condition. To that end, fillet construction and/or reconstruction of the trench area may be adequate.

We understand the roads are to be zoned for limited industrial usage, which upon review of the City of Kelowna bylaw (section SS-R5), appears to translate to 'collector' road classification.

Provided that trench materials are placed and compacted in 300 mm lifts to 95% MPD, reconstruction could be carried out using the following pavement structure.

100 mm	ASPHALT
100 mm	crushed GRAVEL, 19 mm minus (compacted to 95% MPD)
350 mm	SAND and GRAVEL, 75 mm minus (compacted to 95% MPD)

We anticipate that the above pavement structure recommended for roadway reconstruction should typically match the present pavement structure. This structure also appears reasonable from a frost protection perspective under normal winter conditions.

While the recommended pavement structures are expected to be sufficient for the intended traffic conditions, heavy construction-traffic driving over the compacted trench backfill may result in rutting, sponging, or disturbance to the road subgrade soils. Removal of moist soils and replacement with thickened subbase gravels will resolve this issue. This may occur in areas of increased silt content or in the event of significant rainfall during construction, but it is expected to be of low risk so that increasing the pavement structure over the entire project does not appear warranted. However, as this could result in a contract change order, some contingency or allowance to address this issue should be considered.

Provided that the existing road base fills and asphalt millings of the existing roadways can be adequately separated from the remainder of the excavated material, mixing and re-use as base gravels could be carried out. Further laboratory testing and design guidance could be conducted at the time of construction, if desired. In addition, if re-use of the excavated cohesive soils as trench backfill is considered, as discussed in a previous section of this report, additional geotechnical guidance with respect to increasing the pavement structure (in attempts to bridge the poor quality trench backfill) could be provided if desired.

CONCLUSIONS AND RECOMMENDATIONS

1. Results of the auger holes, along with our comments and recommendations for construction and design have been provided in the previous sections of this report. As noted above, logs of our previous auger holes advanced within the general project area have also been included for reference.
2. Some variability between auger holes can be expected. If significant variations of the soil profile are encountered during construction, ITSL should be given the opportunity to review the site conditions and propose remedial measures as necessary.
3. Where compacted trench backfill is required, we recommend that structural backfill be placed and compacted in maximum 300 mm lifts to at least 95% Modified Proctor Density (MPD). Periodic field density testing should be carried out by ITSL on every 600 mm (every second lift) of the trench backfill and pavement structure materials to confirm adequate compaction is being achieved.

Throughout the project area, where structural FILL is required, the use of imported GRAVEL has been recommended in preference to the re-use of the poor quality, wet-of-optimum

cohesive soils. We realize that this recommendation has significant budgetary impacts, so that additional considerations have been provided with respect to re-using the onsite cohesive soils as best as possible and accepting some risk of reduced roadway performance. Additional guidance can be provided with respect to trench backfill material to aid in determining an acceptable construction scheme, if desired.

We trust this will assist you. Please call if you have any questions.

Yours truly,

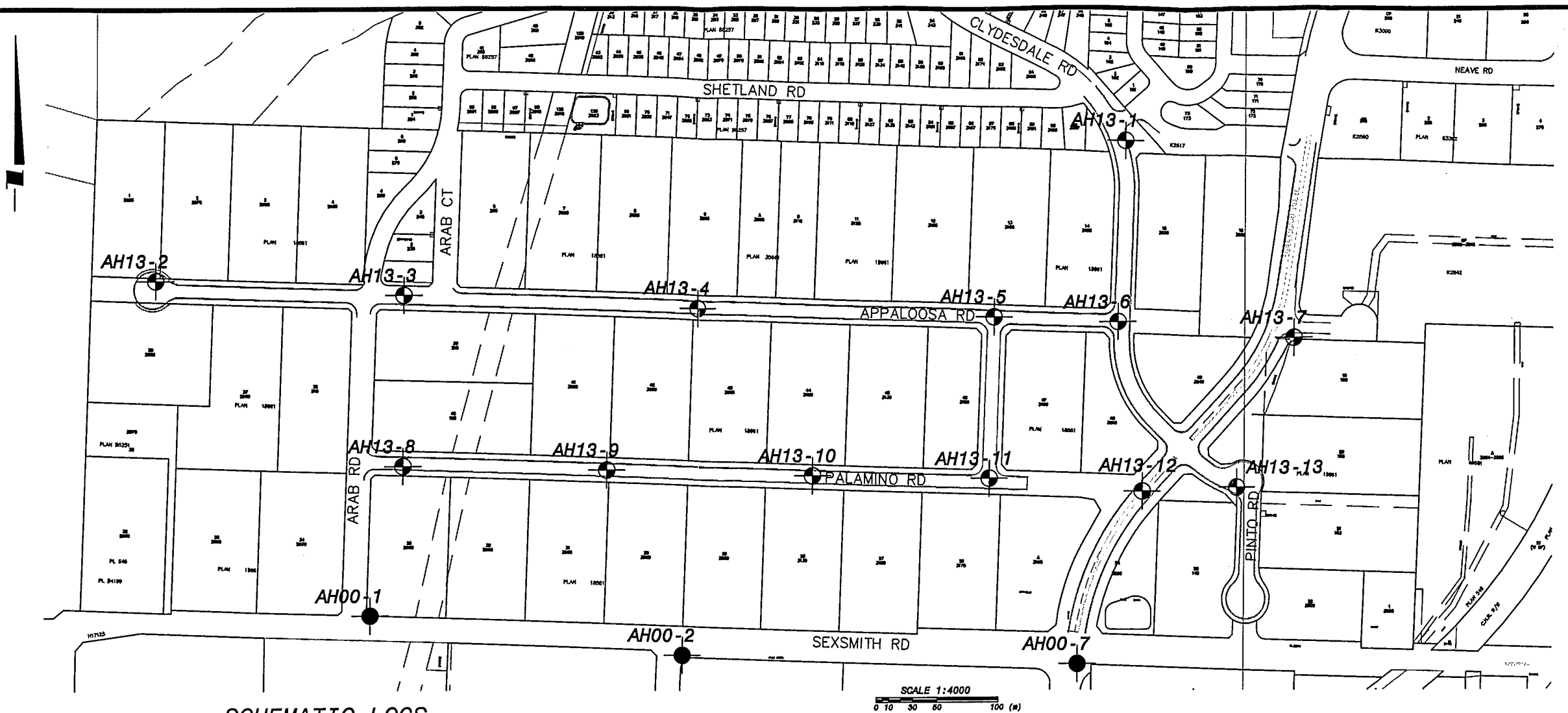
Interior Testing Services Ltd.



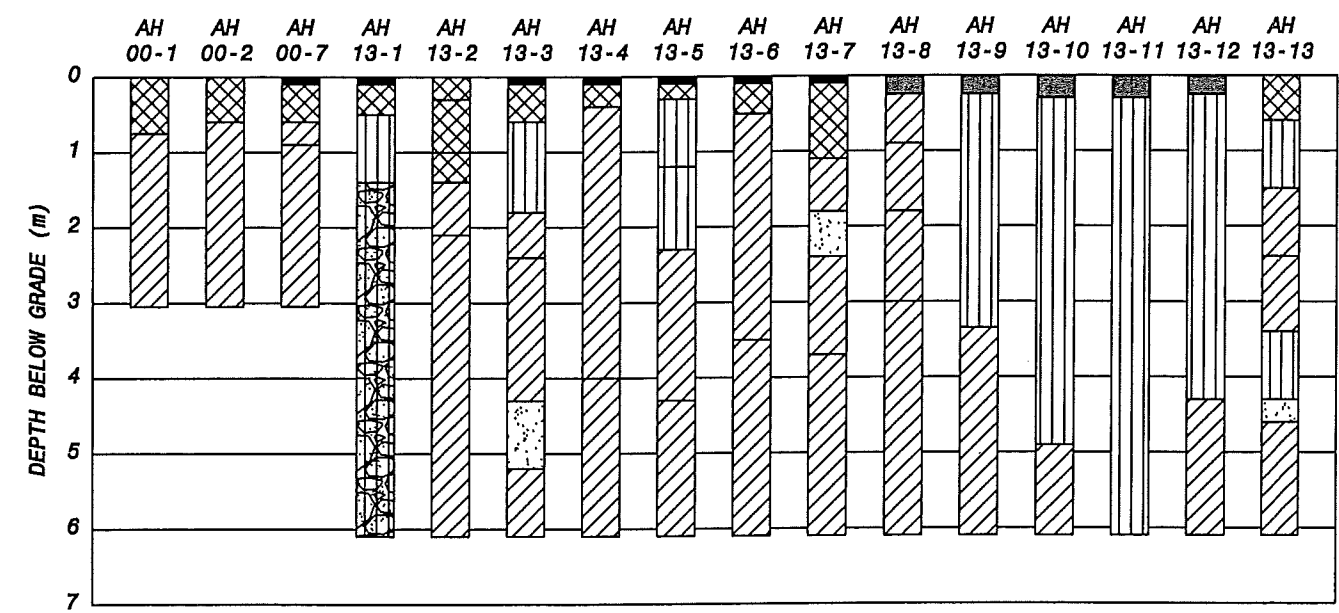
Jennifer Anderson, EIT



Peter Hanenburg, P.Eng



SCHEMATIC LOGS
SCALE: VERTICAL 1:100



LEGEND

	AUGER HOLE LOCATION
	PREVIOUS AUGER HOLE LOCATION
	ASPHALT
	TOPSOIL
	FILL
	SILT/CLAY
	SILT
	SAND
	GRAVEL

- NOTES
1. REFERENCE PLAN SUPPLIED BY FOCUS CORPORATION.
 2. TEST HOLE LOCATIONS ARE APPROXIMATE AND MAY VARY FROM THAT SHOWN.
 3. FOR DETAILED SOIL DESCRIPTIONS REFER TO THE FOLLOWING TEST HOLE LOGS.

FOCUS CORPORATION GEOTECHNICAL INVESTIGATION PROPOSED INFRASTRUCTURE UPGRADES APPALOOSA, PALOMINO, PINTO ROADS KELOWNA, BC	SITE PLAN & SCHEMATIC LOGS		INTERIOR TESTING SERVICES LTD. 1-1925 KIRSCHNER ROAD, KELOWNA, BC V1Y 4N7 PH: 250-860-6540 FAX: 250-860-5027	
			DATE OF INVESTIGATION: JUNE 20, 2013	
			JOB NUMBER: 13.086	DRAWING NUMBER: 13.086-12

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-1

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								▼ Water Noted During Digging ▽ Water Noted in Piezometer □ Disturbed Sample ■ Undisturbed Sample L.L. Liquid Limit P.L. Plastic Limit	
								DESCRIPTION	
0								ASPHALT. 70 mm.	0
								Subbase FILL.	
								Brown SAND and GRAVEL.	
								Grey-brown, mottled, stiff to hard SILT, some clay and organics.	
1	24%					1	□		1
2	10%					2	□	Light grey, silty, gravelly, fine SAND.	2
3	11%					3	□		3
4	15%					4	□		4
5	15%					5	□		5
6									6
7								Bottom of hole at 6.1 m.	7


Drawing No. 13.086-2

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-2

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters		
								<div> <div>▼</div> Water Noted During Digging <div>▽</div> Water Noted in Piezometer </div> <div> <div>□</div> Disturbed Sample <div>■</div> Undisturbed Sample </div> <div> L.L. Liquid Limit P.L. Plastic Limit </div>			
								DESCRIPTION			
0				Auger hole advanced at road shoulder				Subbase FILL. Brown SAND and GRAVEL. Grey-brown, dense, silty SAND and GRAVE, FILL.	0		
1	○	32%						1	□	Brown, hard SILT/CLAY, possible FILL.	1
2	○	38%						2	□	Grey-brown, hard SILT/CLAY.	2
3	○	39%						3	□	Brown, stiff SILT/CLAY.	3
4	○	39%						4	□		4
5	○	41%						5	□		5
6								Bottom of hole at 6.1 m.	6		
7									7		

07-09-2013 C:\Users\Jenny\Desktop\Len jobs\2013\13.086 Appaloosa Palomino\13.086 13-2.bor

Drawing No. 13.086-3

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-3

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								▼ Water Noted During Digging ▽ Water Noted in Piezometer □ Disturbed Sample ■ Undisturbed Sample L.L. Liquid Limit P.L. Plastic Limit	
								DESCRIPTION	
0								ASPHALT, 100 mm.	0
								Subbase FILL.	
								Brown SAND and GRAVEL.	
1	22%					1	□	Grey-brown, stiff SILT, some clay and organics, trace fine sand.	1
2	34%					2	□	Brown, hard, clayey SILT.	2
3	41%					3	□	Brown, stiff SILT/CLAY, high plasticity.	3
4	39%					4	□		4
5	19%					5	□	Brown, fine medium SAND, some silt, moist.	5
6	40%					6	□	Brown, stiff SILT/CLAY, high plasticity, occasional fine medium sand seams.	6
7								Bottom of hole at 6.1 m.	7

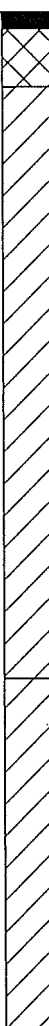





Drawing No. 13.086-4

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-4

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
Location	: Kelowna, BC	Date	: June 20, 2013
	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div>▼ Water Noted During Digging</div> <div>▽ Water Noted in Piezometer</div> <div> <div>□ Disturbed Sample</div> <div>■ Undisturbed Sample</div> <div>L.L. Liquid Limit</div> <div>P.L. Plastic Limit</div> </div>	
								DESCRIPTION	
0				Notable wetter soil conditions at this test hole location		1		ASPHALT. 90 mm.	0
								Subbase FILL.	
								Brown SAND and GRAVEL.	
								Grey-brown, firm SILT/CLAY.	
								Occasional sand lenses at 1.5 to 3 m.	
1	43%					2			1
2	44%					3			2
3	42%					4			3
4	45%					5			4
5	44%							Brown, hard SILT/CLAY.	5
6									6
7								Bottom of hole at 6.1 m.	7

Drawing No. 13.086-5

- INTERIOR -
TESTING SERVICES
- LTD. -

LOG OF AUGER HOLE 13-5

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project : 13.086
Method : Machine Drill Rig
Operator : Blue Max Drilling
Appaloosa, Palomino, and Pinto Logged By : JA
Kelowna, BC Date : June 20, 2013
Location : See Drawing 13.086-1

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend		Depth in Meters
								<div>▼ Water Noted During Digging</div> <div>▽ Water Noted in Piezometer</div>	<div>□ Disturbed Sample</div> <div>■ Undisturbed Sample</div> <div>L.L. Liquid Limit</div> <div>P.L. Plastic Limit</div>	
								DESCRIPTION		
0								ASPHALT. 80 mm. Subbase FILL. Brown SAND and GRAVEL. Dark brown with grey, SILT, some organics.		0
1	○	33%				1	□			1
2	○	23%				2	□	Brown, hard SILT, some clay.		2
3	○	32%				3	□	Grey-brown, hard SILT/CLAY, high plasticity.		3
4	○	42%				4	□			4
5	○	41%				5	□	Brown, stiff, clayey SILT.		5
6										6
7								Bottom of hole at 6.1 m.		7

Drawing No. 13.086-6

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-6

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div>▼ Water Noted During Digging</div> <div>▽ Water Noted in Piezometer</div> <div> <div>□ Disturbed Sample</div> <div>■ Undisturbed Sample</div> <div>L.L. Liquid Limit</div> <div>P.L. Plastic Limit</div> </div>	
								DESCRIPTION	
0								ASPHALT. 80 mm.	0
								Subbase FILL.	
								Brown SAND and GRAVEL.	
								Brown, firm to stiff SILT/CLAY.	
1	42%					1	□		1
2	40%					2	□		2
3	41%					3	□		3
4	40%					4	□	Grey-brown, firm to stiff SILT/CLAY.	4
5	41%					5	□		5
6									6
7								Bottom of hole at 6.1 m.	7

Drawing No. 13.086-7

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-7

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div> <div>▼</div> Water Noted During Digging <div>▽</div> Water Noted in Piezometer </div> <div> <div>□</div> Disturbed Sample <div>■</div> Undisturbed Sample </div> <div> L.L. Liquid Limit P.L. Plastic Limit </div>	
								DESCRIPTION	
0								ASPHALT. 100 mm.	0
								Subbase FILL.	
								Brown SAND and GRAVEL.	
1								Grey-brown, hard to stiff SILT/CLAY.	1
	37%					1	□		
2								Brown, fine SAND, some silt.	2
	7%					2	□		
3								Brown, stiff, clayey SILT.	3
	41%					3	□		
4								Brown, stiff to hard SILT/CLAY.	4
	43%					4	□		
5									5
	41%					5	□		
6									6
7								Bottom of hole at 6.1 m.	7

Drawing No. 13.086-8

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-8

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	DESCRIPTION	Depth in Meters
								<div>▼ Water Noted During Digging</div> <div>▽ Water Noted in Piezometer</div> <div> <div>□ Disturbed Sample</div> <div>■ Undisturbed Sample</div> <div>L.L. Liquid Limit</div> <div>P.L. Plastic Limit</div> </div>		
0									Dark brown, silty TOPSOIL.	0
						1	□		Grey, stiff to hard, clayey SILT, desiccated.	
1		30%							Grey, hard, silty CLAY, high plasticity.	1
		41%				2	□			
2		49%							Brown, stiff, silty CLAY, high plasticity.	2
		43%				3	□			
3									Brown, stiff SILT/CLAY. Occasional sand seams below 4.5 m.	3
		40%				4	□			
4										
						5	□			
5										
6										
									Bottom of hole at 6.1 m.	
7										7

Drawing No. 13.086-9

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-9

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div> <div>▼</div> Water Noted During Digging <div>◄</div> Water Noted in Piezometer </div> <div> <div>□</div> Disturbed Sample <div>■</div> Undisturbed Sample </div> <div> <div>L.L.</div> Liquid Limit <div>P.L.</div> Plastic Limit </div>	
DESCRIPTION									
0								Dark brown, silty TOPSOIL.	0
1	o	27%				1	□	Brown, hard SILT, some clayey layers.	1
2						2	□		2
3	o	37%						Brown, stiff SILT/CLAY.	3
4	o	43%				3	□		4
5	o	42%				4	□	Bottom of hole at 6.1 m.	5
6									6
7									7

Drawing No. 13.086-10

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-10

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div> <div>▼</div> Water Noted During Digging <div>▽</div> Water Noted in Piezometer </div> <div> <div></div> Disturbed Sample <div>■</div> Undisturbed Sample </div> <div> L.L. Liquid Limit P.L. Plastic Limit </div>	
DESCRIPTION									
0								Dark brown, silty TOPSOIL.	0
1		17%				1		Brown, hard SILT, some clayey. Mottled with light brown, dry, powdery SILT.	1
2		23%				2			2
3		20%				3			3
4		20%				4			4
5		40%				5		Brown, stiff to hard SILT/CLAY, high plasticity.	5
6								Bottom of hole at 6.1 m.	6
7									7

07-09-2013 C:\Users\Jenny\Desktop\len jobs\2013\13.086 Appaloosa Palomino\13.086 13-10.bor

Drawing No. 13.086-11

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-11

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div> <div>▼</div> Water Noted During Digging <div>▽</div> Water Noted in Piezometer <div>□</div> Disturbed Sample <div>■</div> Undisturbed Sample <div>L.L.</div> Liquid Limit <div>P.L.</div> Plastic Limit </div>	
								DESCRIPTION	
0								Dark brown, silty TOPSOIL.	0
1		17%				1	□	Brown, hard SILT, some clayey seams. Mottled with light brown, dry, powdery SILT.	1
2		17%				2	□		2
3		25%				3	□		3
4		19%				4	□		4
5		21%				5	□		5
6								Bottom of hole at 6.1 m.	6
7									7

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-12

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div> <div>▼</div> Water Noted During Digging <div>▽</div> Water Noted in Piezometer <div>L.L.</div> Liquid Limit <div>P.L.</div> Plastic Limit </div> <div> <div></div> Disturbed Sample <div></div> Undisturbed Sample </div>	
								DESCRIPTION	
0								Dark brown, silty TOPSOIL.	0
1		18%				1		Brown, hard SILT, some clayey seams. Mottled with light brown, dry, powdery SILT.	1
2		21%				2			2
3		24%				3			3
4								Brown, stiff to hard SILT/CLAY, high plasticity.	4
5		42%				4			5
6		40%						Bottom of hole at 6.1 m.	6
7						5			7

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 13-13

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Infrastructure Upgrades	Operator	: Blue Max Drilling
	: Appaloosa, Palomino, and Pinto	Logged By	: JA
	: Kelowna, BC	Date	: June 20, 2013
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	DESCRIPTION	Depth in Meters
								<div>▼ Water Noted During Digging</div> <div>▽ Water Noted in Piezometer</div> <div>□ Disturbed Sample</div> <div>■ Undisturbed Sample</div> <div>L.L. Liquid Limit</div> <div>P.L. Plastic Limit</div>		
0										0
0.5									Subbase FILL. Brown SAND and GRAVEL.	0.5
1.0	○	29%				1	□		Brown, stiff to hard SILT, some clay.	1.0
2.0	○	38%				2	□		Grey-brown, hard SILT/CLAY.	2.0
3.0	○	36%				3	□		Brown, stiff to hard, clayey SILT.	3.0
4.0	○	28%				4	□		Brown, firm to stiff SILT, fine sandy seams throughout.	4.0
5.0	○	44%				5	□		Light grey, fine medium SAND, some to trace silt.	5.0
5.5									Brown, firm to stiff, SILT/CLAY.	5.5
6.1									Bottom of hole at 6.1 m.	6.1
7.0										7.0

APPENDIX A

Previous Auger Hole Logs (3 Pages)

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 00-1

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project : 13.086
: Proposed Sewer
: Sexsmith Road
: Kelowna, BC
Location : See Drawing 13.086-1

Method : Machine Drill Rig
Operator : Uniwide Drilling Ltd.
Logged By : PH
Date : August 31, 2000

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div>▼ Water Noted During Digging</div> <div>▽ Water Noted in Piezometer</div> <div>L.L. Liquid Limit</div> <div>P.L. Plastic Limit</div> <div>Disturbed Sample</div> <div>Undisturbed Sample</div>	
								DESCRIPTION	
0								Subbase FILL. Brown, silty SAND and GRAVEL, trace asphalt at 0.75 m.	0
1	o	26%				1	<input type="checkbox"/>	Grey-brown, moist, stiff to very stiff, silty CLAY/clayey SILT.	1
2	o	30%				2	<input type="checkbox"/>		2
3	o	35%				3	<input type="checkbox"/>	Bottom of hole at 3.0 m.	3
4									4

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 00-2

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project	: 13.086	Method	: Machine Drill Rig
	: Proposed Sewer	Operator	: Uniwide Drilling Ltd.
	: Sexsmith Road	Logged By	: PH
	: Kelowna, BC	Date	: August 31, 2000
Location	: See Drawing 13.086-1		

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div> <div>▼</div> Water Noted During Digging <div>◡</div> Water Noted in Piezometer <div>□</div> Disturbed Sample <div>■</div> Undisturbed Sample <div>L.L.</div> Liquid Limit <div>P.L.</div> Plastic Limit </div>	
DESCRIPTION									
0								Subbase FILL. Brown, clean SAND and GRAVEL.	0
1		38%				1	□	Brown, moist, stiff, silty CLAY/clayey SILT, trace to some fine sand.	1
2		32%				2	□		2
3		41%				3	□	Bottom of hole at 3.0 m.	3
4									4

**- INTERIOR -
TESTING SERVICES
- LTD. -**

LOG OF AUGER HOLE 00-7

Interior Testing Services Ltd.
1 - 1925 Kirschner Road
Kelowna, BC V1Y 4N7
(250) 860 - 6540
email: itsl@shawbiz.ca

Project : 13.086
: Proposed Sewer
: Sexsmith Road
: Kelowna, BC
Location : See Drawing 13.086-1

Method : Machine Drill Rig
Operator : Uniwide Drilling Ltd.
Logged By : PH
Date : August 31, 2000

Depth in Meters	% Moisture	% Moisture	Water Level	REMARKS	GRAPHIC	Sample Number	Sample Type	Legend	Depth in Meters
								<div> <div>▼</div> Water Noted During Digging <div>▽</div> Water Noted in Piezometer </div> <div> <div>□</div> Disturbed Sample <div>■</div> Undisturbed Sample </div> <div> L.L. Liquid Limit P.L. Plastic Limit </div>	
								DESCRIPTION	
0								ASPHALT. 100 mm.	0
								Subbase FILL.	
								Brown, clean SAND and GRAVEL.	
								Brown, stiff, desiccated, silty CLAY/clayey SILT.	
1	○	30%				1	□	Brown, stiff, silty CLAY/clayey SILT, occasional sand lenses from 2.1 to 3.0 m.	1
	○	33%				2	□		
2									
	○	32%				3	□		
3								Bottom of hole at 3.0 m.	3
4									4

TERMS OF ENGAGEMENT

GENERAL

Interior Testing Services Ltd. (ITSL) shall render the Services performed for the Client on this Project in accordance with the following Terms of Engagement. ITSL may, at its discretion and at any stage, engage subconsultants to perform all or any part of the Services.

COMPENSATION

Charges for the Services rendered will be made in accordance with ITSL's Schedule of Fees and Disbursements in effect from time to time as the Services are rendered. All Charges will be payable in Canadian Dollars. Invoices will be due and payable by the Client within thirty (30) days of the date of the invoice without hold back. Interest on overdue accounts is 12% per annum.

REPRESENTATIVES

Each party shall designate a representative who is authorized to act on behalf of that party and receive notices under this Agreement.

TERMINATION

Either party may terminate this engagement without cause upon thirty (30) days' notice in writing. On termination by either party under this paragraph, the Client shall forthwith pay ITSL its Charges for the Services performed, including all expenses and other charges incurred by ITSL for this Project.

If either party breaches this engagement, the non-defaulting party may terminate this engagement after giving seven (7) days' notice to remedy the breach. On termination by ITSL under this paragraph, the Client shall forthwith pay to ITSL its Charges for the Services performed to the date of termination, including all fees and charges for this Project.

ENVIRONMENTAL

ITSL's field investigation, laboratory testing and engineering recommendations will not address or evaluate pollution of soil or pollution of groundwater. ITSL will co-operate with the Client's environmental consultant during the field work phase of the investigation.

PROFESSIONAL RESPONSIBILITY

In performing the Services, ITSL will provide and exercise the standard of care, skill and diligence required by customarily accepted professional practices and procedures normally provided in the performance of the Services contemplated in this engagement at the time when and the location in which the Services were performed.

LIMITATION OF LIABILITY

ITSL shall not be responsible for:

- (a) the failure of a contractor, retained by the Client, to perform the work required in the Project in accordance with the applicable contract documents;
- (b) the design of or defects in equipment supplied or provided by the Client for incorporation into the Project;
- (c) any cross-contamination resulting from subsurface investigations;
- (d) any damage to subsurface structures and utilities;
- (e) any Project decisions made by the Client if the decisions were made without the advice of ITSL or contrary to or inconsistent with ITSL's advice;
- (f) any consequential loss, injury or damages suffered by the Client, including but not limited to loss of use, earnings and business interruption;
- (g) the unauthorized distribution of any confidential document or report prepared by or on behalf of ITSL for the exclusive use of the Client.

The total amount of all claims the Client may have against ITSL under this engagement, including but not limited to claims for negligence, negligent misrepresentation and breach of contract, shall be strictly limited to the lesser of our fees or \$50,000.00. Only if specifically agreed to in writing by ITSL would this be revised to the amount of any professional liability insurance ITSL may have available at the time such claims are made. In the event that ITSL is not carrying professional liability insurance at the time of a claim, the total amount payable would be \$0 under either circumstance.

No claim may be brought against ITSL in contract or tort more than two (2) years after the Services were completed or terminated under this engagement.

PERSONAL LIABILITY

For the purposes of the limitation of liability provisions contained in the Agreement of the parties herein, the Client expressly agrees that it has entered into this Agreement with ITSL, both on its own behalf and as agent on behalf of its employees and principals.

The Client expressly agrees that ITSL's employees and principals shall have no personal liability to the Client in respect of a claim, whether in contract, tort and/or any other cause of action in law. Accordingly, the Client expressly agrees that it will bring no proceedings and take no action in any court of law against any of ITSL's employees or principals in their personal capacity.

THIRD PARTY LIABILITY

This report was prepared by ITSL for the account of the Client. The material in it reflects the judgement and opinion of ITSL in light of the information available to it at the time of preparation. Any use which a third party makes of this report, or any reliance on or decisions to be made based on it, are the responsibility of such third parties. ITSL accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based on this report. This report may not be used or relied upon by any other person unless that person is specifically named by us as a beneficiary of the Report. The Client agrees to maintain the confidentiality of the Report and reasonably protect the report from distribution to any other person.

DOCUMENTS

All of the documents prepared by ITSL or on behalf of ITSL in connection with the Project are instruments of service for the execution of the Project. ITSL retains the property and copyright in these documents, whether the Project is executed or not. These documents may not be used on any other project without the prior written agreement of ITSL.

FIELD SERVICES

Where applicable, field services recommended for the Project are the minimum necessary, in the sole discretion of ITSL, to observe whether the work of a contractor retained by the Client is being carried out in general conformity with the intent of the Services.

DISPUTE RESOLUTION

If requested in writing by either the Client or ITSL, the Client and ITSL shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties. If a dispute cannot be settled within a period of thirty (30) calendar days with the mediator, the dispute shall be referred to and finally resolved by an arbitrator appointed by agreement of the parties.

CONFIRMATION OF PROFESSIONAL LIABILITY INSURANCE

As required by by-laws of the Association of Professional Engineers and Geoscientists of British Columbia, it is required that our firm advise whether or not Professional Liability Insurance is held. It is also required that a space for you to acknowledge this information be provided.

Professional errors and omissions liability insurance is not an insurance policy for the project and should not be regarded as such. The premium that an insurance company would charge for a policy for no deductible, no limit, and an indefinite policy period, would be considerably more than the total engineering fees. If you require insurance for your project you should purchase a policy directly.

Accordingly, this notice serves to advise you that ITSL carries professional liability insurance. If you wish to acknowledge receipt of this information, please sign and return a copy of this form.

ACKNOWLEDGEMENT: _____

APPENDIX D

Water Network Assessment



Agua Consulting Inc.

“Engineered Water Solutions”

Agua file: 025-03

July 19, 2013

Glenmore-Ellison Improvement District
445 Glenmore Road
Kelowna, BC
V1V 1Z6

Attention: Mr. Darywn Kutney, General Manager

Dear Darwyn;

RE: APPALOOSA ROAD WATER MAIN UPGRADES

1.0 Introduction

This letter provides our initial assessment and overview of the water system upgrades being proposed along Appaloosa Road. We received the drawing of the plan view for the water and sanitary utility upgrades on June 28, 2013.

The Utilities Plan prepared by Focus, dated June 26, 2013 proposes a 200 mm diameter main on Appaloosa Road to replace the existing 150mm diameter Asbestos Concrete main located on the north side of the road. Sanitary sewer is being proposed along Appaloosa Road with the water main upgrade carried out in conjunction with that work. The design intent appears to be to complete all underground upgrades prior to road surface replacement. There are proposed water main extensions to the lands to the west and north of Appaloosa Road.

The objective of this letter is to review the water main upgrades and interconnections from an overall perspective of the greater GEID water system.

2.0 Design Objectives

Design objectives for this layout should meet the following criteria:

- O-1 Replaced or upgraded water main should assist in the provision of fire flow to meet the long term zoning and land use requirements (in this case light commercial/light industrial);
- O-2 An additional interconnection to the development lands north of Appaloosa Road is desired;
- O-3 Infrastructure should be sited within existing and proposed road right-of-ways;
- O-4 The main sizes should match in with the greater system planning for the Kelowna water systems as set out in the Kelowna Integrated Water Supply Plan. This specifically means that the pipe sizing should be sufficient to allow for additional flow between water utilities within the City.

Agua Consulting Inc

- o 3660 Anderson Road, Kelowna, BC, V1X 7V8
- o Phone: 250.212.3266

3.0 Design Review

The water system layout is reasonable, and meets several of the above objectives.

Objective 1 is met through increased supply capacity due to the replacement of the 150mm main with a 200mm main;

Objective 2 is achieved and the 200mm capacity main up the north east road should assist in the provision of water to the Solterra Development lands.

An adjustment should be made in the main size to service lands to the west of Appaloosa Road as the land to the west is within the ALR, is already serviced and no water main extension is foreseen to be needed in this direction. The water main on Appaloosa Road west of Arab Road can be a 150mm main to the last hydrant and then reduced to 100mm diameter to the end.

A second adjustment should be made on the Focus drawing for the water main on Appaloosa Road east of the connector road to Solterra. The adjustment should be to increase the size of this section of 150mm main to a minimum size of 200mm. This allows a fire flow from two directions of sufficient flow to be provided to Appaloosa Road.

Objective 3 is met as the location of mains is realistic, within road right-of-way and should be acceptable by GEID. With the addition of the cul-de-sac at the south end of Pinto Road, there is a logical location for the PRV station and a future pump station for interconnection between the GEID and BMID water systems.

Objective 4 was reviewed with consideration of the recently completed Kelowna Integrated Water Supply Plan. Although the plan does not explicitly set out transmission main sizes for future interconnections between the four large domestic water sources, it does provide a guideline of interconnection capacities to be achieved to have reasonable redundancy and interconnection throughout the City. This is set out on the tables on Pages 105 and 106 of that plan. The interconnection between McKinley Reservoir (GEID) and the BMID UV disinfection location would be conveyed through this area of Sexsmith Road and Appaloosa Road. The mains on Sexsmith are PVC and should have a longer service life than the AC mains on Appaloosa Road. For this reason, and the reason of difficulty of construction on the busy Sexsmith Road thoroughfare, Appaloosa Road could provide a good alternative route. The route is illustrated in Figure 1.

Long Term Transmission Main Sizing

In consideration of sizing the transmission main, the cross utility capacity is set out for various main sizes in Table 1.

Table 1 – Water Main Capacity (based on 0.40% HGL friction loss)

Main Size	Flow (L/s)	Flow (ML/day)
300 mm	80	6.9
350 mm	121	10.4
400 mm	171	14.8
450 mm	233	20.2
500 mm	308	26.6
550 mm	396	34.2
600 mm	497	42.9

Connections to BMID are limited to 450mm and 400mm BMID water main sizes on Rutland Road. The upstream mains in GEID are limited to 500mm diameter between Scenic pump station and this site.

Ultimately, GEID should consider upgrading the transmission main size somewhere through this corridor. The size should be set at 400mm minimum diameter with consideration of 450 and 500mm maximum main size. With the recent expenditures and larger expenditures GEID has incurred with the construction of the Okanagan Lake supply project, GEID may require either upsizing of the main on Appaloosa or wait until the main along Sexsmith Road is to be replaced and upgraded.

Figure 1 – Potential Transmission Main Route



225 L/s Fire Flow Options

Agua Consulting also reviewed what would be necessary to get a fire flow of 225 L/s to the Appaloosa Road area. Fire flows to this area are in the range of 171 L/s and are limited by the small mains on Sexsmith Road between the Scenic pump station and this area.

There are two options for achieving increased fire flow to this area:

1. Increase the water main sizes up Sexsmith Road until sufficient fire flow is achieved;
2. Wait for the development north of this site to develop to allow additional flow through the Solterra development to provide the additional 65 L/s. The costs for the second option would be covered by new development.

Figure 2 provides the location and size of water mains east feeding the Appaloosa Road area. Between the 500mm main on Valley Road North and the Appaloosa Road-Arab Road intersection, there is 656m of 200 mm water main, 524m of 250mm main, and 730m of 300mm main. The mains were methodically upgraded to determine what would be required to achieve a fire flow of 225 L/s to the Appaloosa Road – Pinto Road intersection.

The existing fire flow is estimated to be 171 L/s. By increasing the 656m of 200mm main to 400mm diameter, the flow increases to 201 L/s. By increasing the 524m of 250mm main to 400mm diameter, the flow increases to 223 L/s. The upgrade to 225 L/s could be made simply by increasing a short section of the above mains to achieve flows of 225 L/s.

Figure 2 – Existing Water main Sizes (Sexsmith Road)

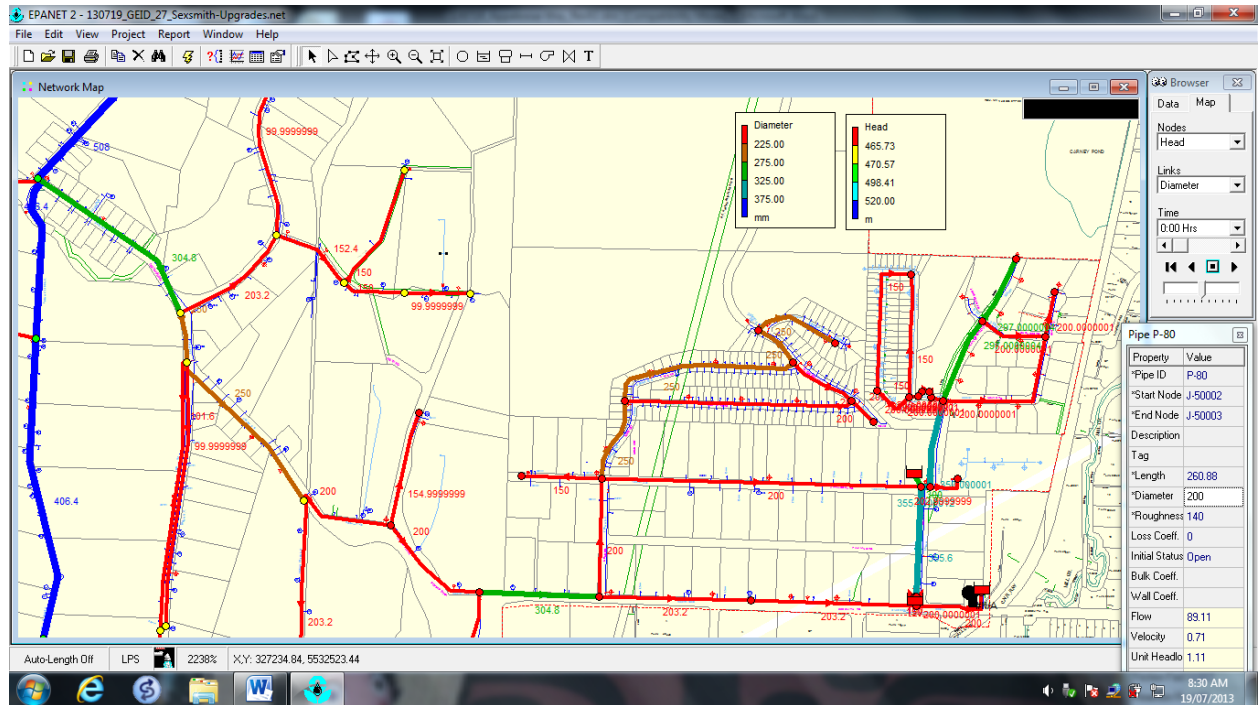
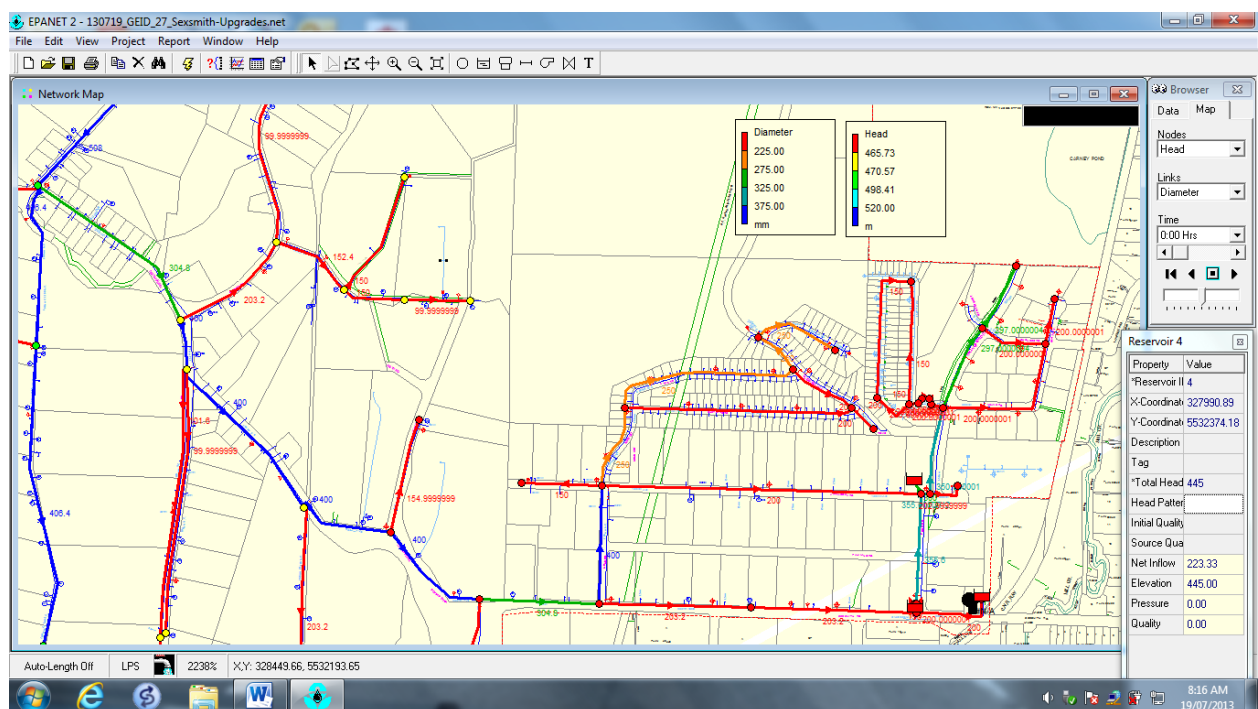


Figure 3 – Upgraded 400mm main to Achieve 225 L/s (dark blue)



4.0 Closure

In summary, the following is recommended:

- R - 1 That the routes and main sizes as proposed by Focus be accepted with the exception of:
 - a) the size of main on Appaloosa Road west of Arab Road, which can be reduced in size to 150mm diameter to the last hydrant, and then 100mm thereafter, and
 - b) that the proposed 200mm main upgrade along Appaloosa Road be extended east to the intersection of the realigned Pinto Road to allow for fire flows of 225 L/s;
- R - 2 In the future, in consideration of longer term planning and interconnection requirements, GEID consider replacing the existing 200mm mains on Sexsmith Road with a larger diameter transmission main;
- R - 3 The estimated fire flow to the area is in the range of 171 L/s. In order to achieve a fire flow of 225 L/s, approximately 656 m of 200mm diameter main and 524m of 250mm main east of the site must be upgraded to 400mm diameter. Alternatively, the additional flow could be provided by a connection through the Solterra development site from the University south area, but timing is dependent on new development;
- R - 4 That GEID and BMID together contact the City to inform them of the intention of a pump station for system interconnection to be located at the south end of the cul-de-sac of Pinto Road.

Please contact me if you have any questions regarding this information.

Yours truly,

Agua Consulting Inc.



Bob Hrasko, P.Eng.
Principal
RJH/rh

APPENDIX E

Breakdown of Construction Costs

Hollywood DCC - City of Kelowna**Cost For Pre-Design**

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
1	ROADWAYS				
1.1	EXCAVATION				
1.1.2	COMMON EXCAVATION TO EMBANKMENT FILL	cu. m	\$ 8.00	375	\$ 3,000.00
1.1.3	WASTE EXCAVATION	cu. m	\$ 13.00	800	\$ 10,400.00
1.1.3	ROCK EXCAVATION	cu. m	\$ 15.00		\$ -
1.1.4	REPLACE UNSUITABLE MATERIAL	cu. m	\$ 23.00	12,143	\$ 279,289.00
1.1.5	PAVEMENT REMOVAL AND DISPOSAL (ALL DEPTHS)	sq.m	\$ 4.50	3,580	\$ 16,110.00
1.1.6	ASPHALT SAWCUT	lm	\$ 8.00	200	\$ 1,600.00
1.2	SUBGRADE PREPARATION ROADS	sq. m	\$ 2.00	8,171	\$ 16,342.00
1.3	GRANULAR MATERIALS				
1.3.1	SELECT GRANULAR SUB-BASE (350mm SGSB)	sq.m	\$ 12.00	3,878	\$ 46,531.20
1.3.2	CRUSHED GRANULAR BASE COURSE (100mm - 19mm CBC)	sq.m	\$ 6.00	6,050	\$ 36,300.00
1.3.3	SELECT GRANULAR SUB-BASE (535mm SGSB)	sq.m	\$ 18.00	4,293	\$ 77,274.00
1.3.4	CYCLE TRACK BASE- 150mm -25mm CBC	sq.m	\$ 8.00	2,497	\$ 19,972.80
1.4	PAVING				
1.4.1	HOT MIX PAVING (50 mm DEPTH, BASE LIFT)	sq. m	\$ 15.75	6,050	\$ 95,287.50
1.4.2	HOT MIX PAVING (50 mm DEPTH, TOP LIFT)	sq. m	\$ 15.75	6,050	\$ 95,287.50
1.4.3	HOT MIX PAVING (50 mm DEPTH, CYCLE TRACK)	sq. m	\$ 15.75	1,387	\$ 21,845.25
1.4.4	TACK COAT - if required	sq. m	\$ 0.75		\$ -
1.5	CONCRETE				
1.5.1	CONCRETE CURB AND GUTTER BARRIER 450mm	lm	\$ 75.00	1,387	\$ 104,025.00
1.5.2	CONCRETE SIDEWALK - 1.8m WIDE C/W 150mm CRUSH	lm	\$ 140.00	1,387	\$ 194,180.00
1.5.3	CONCRETE CURB-MEDIAN	lm	\$ 55.00	920	\$ 50,600.00
1.5.4	CONCRETE APRON	sq.m	\$ 90.00	702	\$ 63,180.00
1.5.5	CONCRETE CURB - PLANTER	lm	\$ 55.00	1,510	\$ 83,050.00
1.5.6	SIDEWALK LET DOWNS	lm	\$ 5.00	20	\$ 100.00
1.6	LANDSCAPE				
1.6.1	MEDIAN TOPSOIL 150mm DEPTH	sq.m	\$ 7.00	414	\$ 2,898.00
1.6.2	MEDIAN GROUND COVER	sq.m	\$ 1.50	414	\$ 621.00
1.6.3	PLANTER TOPSOIL	sq.m	\$ 7.00	525	\$ 3,675.00
1.6.4	PLANTER GROUND COVER	sq.m	\$ 1.50	525	\$ 787.50
1.6.5	BOULEVARD TOPSOIL	sq.m	\$ 7.00	624	\$ 4,368.00
1.6.6	BOULEVARD GROUND COVER	sq.m	\$ 1.50	624	\$ 936.00
1.6.7	TREES	ea.	\$ 720.00	93	\$ 66,960.00
1.7	IRRIGATION	lm.	\$ 165.00	540	\$ 89,100.00
1.8	SIGNS	ea.	\$ 500.00	6	\$ 3,000.00
TOTAL SECTION 1					\$ 1,386,719.75
5	SHALLOW UTILITIES				
5.1	STREET LIGHTING				
5.1.1	SUPPLY & INSTALL STREET LIGHTS BASES	ea	\$ 2,800.00	26	\$ 71,960.00
5.1.2	SUPPLY & INSTALL 50mm DUCTING,	l.m.	\$ 26.00	771	\$ 20,046.00
5.1.3	STREET LIGHT WIRING ALLOWANCE	l.m.	\$ 10.00	771	\$ 7,710.00
5.1.4	JUNCTION BOXES, TIE INS, ETC.	ea.	\$ 850.00	5	\$ 4,250.00
TOTAL SECTION 5					\$ 103,966.00

Hollywood DCC - City of Kelowna**Cost For Pre-Design**

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
6 MISCELLANEOUS ITEMS					
6.1	SURVEYS AND LAYOUT (CONSTRUCTION)	ls	\$ 20,000.00	1	\$ 20,000.00
6.2	BONDING & INSURANCE	ls	\$ 6,000.00	1	\$ 6,000.00
6.4	EROSION AND SEDIMENT CONTROL	ls	\$ 2,000.00	1	\$ 2,000.00
6.5	MOB/DEMOB and GENERAL REQUIREMENTS	ls	\$ 11,000.00	1	\$ 11,000.00
6.6	REMOVE AND REINSTALL SURFACE FEATURES	ls	\$ 7,500.00	1	\$ 7,500.00
6.7	TRAFFIC CONTROL	ls	\$ 5,500.00	1	\$ 5,500.00
TOTAL SECTION 6					\$ 52,000.00

SUBTOTAL FOR ALL SECTIONS	\$ 1,542,685.75
20% CONTINGENCY	\$ 308,537.15
15% ENGINEERING	<u>\$ 231,402.86</u>
TOTAL	\$ 2,082,625.76

University South - City of Kelowna**Cost For Pre-Design**

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
1	ROADWAYS				
1.1	EXCAVATION				
1.1.2	COMMON EXCAVATION TO EMBANKMENT FILL	cu. m	\$ 8.00	0	\$ -
1.1.3	WASTE EXCAVATION	cu. m	\$ 13.00	1,084	\$ 14,092.00
1.1.3	ROCK EXCAVATION	cu. m	\$ 15.00		\$ -
1.1.4	REPLACE UNSUITABLE MATERIAL	cu. m	\$ 23.00	400	\$ 9,200.00
1.1.5	PAVEMENT REMOVAL AND DISPOSAL (ALL DEPTHS)	sq.m	\$ 4.50	524	\$ 2,358.00
1.1.6	ASPHALT SAWCUT	lm	\$ 8.00	30	\$ 240.00
1.2	SUBGRADE PREPARATION ROADS	sq. m	\$ 2.00	2,620	\$ 5,240.00
1.3	GRANULAR MATERIALS				
1.3.1	SELECT GRANULAR SUB-BASE (350mm SGSB)	sq.m	\$ 12.00	2,620	\$ 31,440.00
1.3.2	CRUSHED GRANULAR BASE COURSE (100mm - 19mm CBC)	sq.m	\$ 6.00	2,620	\$ 15,720.00
1.4	PAVING				
1.4.1	HOT MIX PAVING (50 mm DEPTH, BASE LIFT)	sq. m	\$ 15.75	2,620	\$ 41,265.00
1.4.2	HOT MIX PAVING (50 mm DEPTH, TOP LIFT)	sq. m	\$ 15.75	2,620	\$ 41,265.00
1.4.3	TACK COAT - if required	sq. m	\$ 0.75		\$ -
1.5	CONCRETE				
1.5.1	CONCRETE CURB AND GUTTER BARRIER 450mm	lm	\$ 75.00	400	\$ 30,000.00
1.5.2	CONCRETE SIDEWALK - 1.5m WIDE C/W 150mm CRUSH	lm	\$ 115.00	400	\$ 46,000.00
1.5.3	SIDEWALK LET DOWNS	lm	\$ 5.00	12	\$ 60.00
1.6	LANDSCAPING				
1.6.1	BOULEVARD TOPSOIL	sq.m	\$ 7.00	780	\$ 5,460.00
1.6.2	BOULEVARD GROUND COVER	sq.m	\$ 1.50	780	\$ 1,170.00
1.6.3	TREES	ea.	\$ 720.00	27	\$ 19,200.00
1.6.4	IRRIGATION	lm.	\$ 165.00	200	\$ 33,000.00
1.7	SIGNS	ea.	\$ 500.00	3	\$ 1,500.00
TOTAL SECTION 1					\$ 297,210.00
5	SHALLOW UTILITIES				
5.1	STREET LIGHTING				
5.1.1	SUPPLY & INSTALL STREET LIGHTS BASES	ea	\$ 2,800.00	7	\$ 19,600.00
5.1.2	SUPPLY & INSTALL 50mm DUCTING,	l.m.	\$ 26.00	200	\$ 5,200.00
5.1.3	STREET LIGHT WIRING ALLOWANCE	l.m.	\$ 10.00	200	\$ 2,000.00
5.1.4	JUNCTION BOXES, TIE INS, ETC.	ea.	\$ 850.00	1	\$ 850.00
TOTAL SECTION 5					\$ 27,650.00
6	MISCELLANEOUS ITEMS				
6.1	SURVEYS AND LAYOUT (CONSTRUCTION)	ls	\$ 6,000.00	1	\$ 6,000.00
6.2	BONDING & INSURANCE	ls	\$ 1,600.00	1	\$ 1,600.00
6.4	EROSION AND SEDIMENT CONTROL	ls	\$ 500.00	1	\$ 500.00
6.5	MOB/DEMOB and GENERAL REQUIREMENTS	ls	\$ 3,000.00	1	\$ 3,000.00
6.6	REMOVE AND REINSTALL SURFACE FEATURES	ls	\$ 1,500.00	1	\$ 1,500.00
6.7	TRAFFIC CONTROL	ls	\$ 1,500.00	1	\$ 1,500.00
TOTAL SECTION 6					\$ 14,100.00
SUBTOTAL FOR ALL SECTIONS					\$ 338,960.00
20% CONTINGENCY					\$ 67,792.00
15% ENGINEERING					\$ 50,844.00
TOTAL					\$ 457,596.00

Sexsmith DCC- City of Kelowna**Cost For Pre-Design**

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
1	ROADWAYS				
1.1	EXCAVATION				
1.1.2	COMMON EXCAVATION TO EMBANKMENT FILL	cu. m	\$ 8.00	0	\$ -
1.1.3	WASTE EXCAVATION	cu. m	\$ 13.00	1,700	\$ 22,100.00
1.1.3	ROCK EXCAVATION	cu. m	\$ 15.00		\$ -
1.1.4	REPLACE UNSUITABLE MATERIAL	cu. m	\$ 23.00	7,736	\$ 177,928.00
1.2	SUBGRADE PREPARATION ROADS	sq. m	\$ 2.00	8,974	\$ 17,947.00
1.3	GRANULAR MATERIALS				
1.3.1	SELECT GRANULAR SUB-BASE (350mm SGSB)	sq.m	\$ 12.00	8,974	\$ 107,682.00
1.3.2	CRUSHED GRANULAR BASE COURSE (100mm - 19mm CBC)	sq.m	\$ 6.00	8,974	\$ 53,841.00
1.4	PAVING				
1.4.1	HOT MIX PAVING (50 mm DEPTH, BASE LIFT)	sq. m	\$ 15.75	8,974	\$ 141,332.63
1.4.2	HOT MIX PAVING (50 mm DEPTH, TOP LIFT)	sq. m	\$ 15.75	8,974	\$ 141,332.63
1.4.3	HOT MIX PAVING (100mm DEPTH, SEXSMITH REPAIR)	sq.m	\$ 30.00	490	\$ 14,700.00
1.4.4	TACK COAT - if required	sq. m	\$ 0.75		\$ -
1.5	CONCRETE				
1.5.1	CONCRETE CURB AND GUTTER BARRIER 450mm	lm	\$ 75.00	1,370	\$ 102,750.00
1.5.2	CONCRETE SIDEWALK - 1.5m WIDE C/W 150mm CRUSH	lm	\$ 115.00	1,370	\$ 157,550.00
1.5.3	SIDEWALK LET DOWNS	lm	\$ 5.00	24	\$ 120.00
1.6	LANDSCAPING				
1.6.1	BOULEVARD TOPSOIL	sq.m	\$ 7.00	2,672	\$ 18,700.50
1.6.2	BOULEVARD GROUND COVER	sq.m	\$ 1.50	2,672	\$ 4,007.25
TOTAL SECTION 1					\$ 955,983.75
5	SHALLOW UTILITIES				
5.1	STREET LIGHTING				
5.1.1	SUPPLY & INSTALL STREET LIGHTS BASES	ea	\$ 2,800.00	23	\$ 64,400.00
5.1.2	SUPPLY & INSTALL 50mm DUCTING,	l.m.	\$ 26.00	685	\$ 17,810.00
5.1.3	STREET LIGHT WIRING ALLOWANCE	l.m.	\$ 10.00	685	\$ 6,850.00
5.1.4	JUNCTION BOXES, TIE INS, ETC.	ea.	\$ 850.00	2	\$ 1,700.00
TOTAL SECTION 5					\$ 90,760.00
6	MISCELLANEOUS ITEMS				
6.1	SURVEYS AND LAYOUT (CONSTRUCTION)	ls	\$ 14,000.00	1	\$ 14,000.00
6.2	BONDING & INSURANCE	ls	\$ 5,600.00	1	\$ 5,600.00
6.4	EROSION AND SEDIMENT CONTROL	ls	\$ 1,400.00	1	\$ 1,400.00
6.5	MOB/DEMOB and GENERAL REQUIREMENTS	ls	\$ 7,000.00	1	\$ 7,000.00
6.6	REMOVE AND REINSTALL SURFACE FEATURES	ls	\$ 5,000.00	1	\$ 5,000.00
6.7	TRAFFIC CONTROL	ls	\$ 5,000.00	1	\$ 5,000.00
TOTAL SECTION 6					\$ 38,000.00

SUBTOTAL FOR ALL SECTIONS

\$ 1,084,743.75

20% CONTINGENCY

\$ 216,948.75

15% ENGINEERING

\$ 162,711.56**TOTAL****\$ 1,464,404.06**

Appaloosa Roadway LAS- City of Kelowna**Cost For Pre-Design**

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
1	ROADWAYS				
1.1	EXCAVATION				
1.1.2	COMMON EXCAVATION TO EMBANKMENT FILL	cu. m	\$ 8.00	2,900	\$ 23,200.00
1.1.3	WASTE EXCAVATION	cu. m	\$ 13.00	1,118	\$ 14,534.00
1.1.4	REPLACE UNSUITABLE MATERIAL	cu. m	\$ 23.00	5,450	\$ 125,350.00
1.1.5	PAVEMENT REMOVAL AND DISPOSAL (ALL DEPTHS)	sq.m	\$ 4.50	5,075	\$ 22,837.50
1.1.6	ASPHALT SAWCUT	lm	\$ 8.00	30	\$ 240.00
1.2	SUBGRADE PREPARATION ROADS	sq. m	\$ 2.00	9,986	\$ 19,972.00
1.3	GRANULAR MATERIALS				
1.3.1	SELECT GRANULAR SUB-BASE (350mm SGSB)	sq.m	\$ 12.00	9,986	\$ 119,832.00
1.3.2	CRUSHED GRANULAR BASE COURSE (100mm - 19mm CBC)	sq.m	\$ 6.00	9,986	\$ 59,916.00
1.3.3	SELECT GRANULAR SUB-BASE (275mm SGSB)	sq.m	\$ 10.00	266	\$ 2,660.00
1.3.4	CRUSHED GRANULAR BASE COURSE (75mm - 19mm CBC)	sq.m	\$ 5.00	266	\$ 1,330.00
1.4	PAVING				
1.4.1	HOT MIX PAVING (50 mm DEPTH, BASE LIFT)	sq. m	\$ 15.75	9,261	\$ 145,860.75
1.4.2	HOT MIX PAVING (50 mm DEPTH, TOP LIFT)	sq. m	\$ 15.75	9,527	\$ 150,050.25
1.4.3	TACK COAT - if required	sq. m	\$ 0.75		\$ -
1.5	CONCRETE				
1.5.1	CONCRETE CURB AND GUTTER BARRIER 450mm	lm	\$ 75.00	1,630	\$ 122,250.00
1.5.2	CONCRETE SIDEWALK - 1.5m WIDE C/W 150mm CRUSH	lm	\$ 115.00	1,630	\$ 187,450.00
1.5.3	SIDEWALK LET DOWNS	lm	\$ 5.00	100	\$ 500.00
1.6	LANDSCAPING				
1.6.1	BOULEVARD TOPSOIL	sq.m	\$ 7.00	3,140	\$ 21,976.50
1.6.2	BOULEVARD GROUND COVER	sq.m	\$ 1.50	3,140	\$ 4,709.25
1.7	SIGNS	ea.	\$ 500.00	6	\$ 3,000.00
TOTAL SECTION 1					\$ 1,025,668.25
5	SHALLOW UTILITIES				
5.1	RELOCATE POWER POLES				
5.1.1	POWER POLE	ea	\$ 5,000.00	3	\$ 15,000.00
5.1.2	SERVICE POLE	ea	\$ 3,000.00	6	\$ 18,000.00
5.2	SERVICE DROP and CROSSING	ea	\$ 1,800.00	12	\$ 21,600.00
5.3	STREET LIGHT ON EXISTING POWER POLE	ea	\$ 1,400.00	5	\$ 7,000.00
TOTAL SECTION 5					\$ 61,600.00
6	MISCELLANEOUS ITEMS				
6.1	SURVEYS AND LAYOUT (CONSTRUCTION)	ls	\$ 15,000.00	1	\$ 15,000.00
6.2	BONDING & INSURANCE	ls	\$ 8,000.00	1	\$ 8,000.00
6.3	EROSION AND SEDIMENT CONTROL	ls	\$ 2,000.00	1	\$ 2,000.00
6.4	MOB/DEMOB and GENERAL REQUIREMENTS	ls	\$ 10,000.00	1	\$ 10,000.00
6.5	REMOVE AND REINSTALL SURFACE FEATURES	ls	\$ 7,500.00	1	\$ 7,500.00
6.6	TRAFFIC CONTROL	ls	\$ 5,000.00	1	\$ 5,000.00
TOTAL SECTION 6					\$ 47,500.00

SUBTOTAL FOR ALL SECTIONS

\$ 1,134,768.25

20% CONTINGENCY

\$ 226,953.65

15% ENGINEERING

\$ 170,215.24

TOTAL**\$ 1,531,937.14**

Appaloosa Sanitary Sewer LAS- City of Kelowna**Cost for Predesign**

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
1	ROADWAYS (Sexsmith Road)				
1.1	EXCAVATION				
1.1.2	COMMON EXCAVATION TO EMBANKMENT FILL	cu. m	\$ 8.00	0	\$ -
1.1.3	WASTE EXCAVATION	cu. m	\$ 13.00	0	\$ -
1.1.4	REPLACE UNSUITABLE MATERIAL	cu. m	\$ 23.00	550	\$ 12,650.00
1.1.5	PAVEMENT REMOVAL AND DISPOSAL (ALL DEPTHS)	sq.m	\$ 4.50	560	\$ 2,520.00
1.1.6	ASPHALT SAWCUT	lm	\$ 8.00	270	\$ 2,160.00
1.2	SUBGRADE PREPARATION ROADS	sq. m	\$ 2.00	560	\$ 1,120.00
1.3	GRANULAR MATERIALS				
1.3.1	SELECT GRANULAR SUB-BASE (350mm SGSB)	sq.m	\$ 12.00	560	\$ 6,720.00
1.3.2	CRUSHED GRANULAR BASE COURSE (100mm - 19mm CBC)	sq.m	\$ 6.00	560	\$ 3,360.00
1.4	PAVING				
1.4.1	HOT MIX PAVING (50 mm DEPTH, BASE LIFT)	sq. m	\$ 15.75	560	\$ 8,820.00
1.4.2	HOT MIX PAVING (50 mm DEPTH, TOP LIFT)	sq. m	\$ 15.75	560	\$ 8,820.00
TOTAL SECTION 1					\$ 46,170.00
3	SANITARY SEWER				
3.1	SANITARY SEWER MAINS - SDR 35 PVC				
3.1.1	200mm	lm	\$ 125.00	462	\$ 57,750.00
3.1.2	250mm	lm	\$ 135.00	685	\$ 92,475.00
3.2	MANHOLES				
3.2.1	1050mm BARRELS	lm	\$ 450.00	44	\$ 19,890.00
3.2.3	LID, FRAME, COVER C/W RISERS., BASE	ea.	\$ 1,900.00	15	\$ 28,500.00
3.3	SERVICES				
3.3.1	100mm PVC PIPING TO PROPERTY LINE (includes trenching)	lm	\$ 80.00	355	\$ 28,400.00
3.3.2	FITTINGS, INSPECTION CHAMBERS	ea.	\$ 550.00	28	\$ 15,400.00
3.3.3	END CAPS	ea.	\$ 300.00	28	\$ 8,400.00
3.4	TIE TO EXISTING	ea.	\$ 3,000.00	4	\$ 12,000.00
TOTAL SECTION 3					\$ 262,815.00
6	MISCELLANEOUS ITEMS				
6.1	SURVEYS AND LAYOUT (CONSTRUCTION)	ls	\$ 6,000.00	1	\$ 6,000.00
6.2	BONDING & INSURANCE	ls	\$ 5,000.00	1	\$ 5,000.00
6.4	EROSION AND SEDIMENT CONTROL	ls	\$ 2,000.00	1	\$ 2,000.00
6.5	MOB/DEMOB and GENERAL REQUIREMENTS	ls	\$ 5,000.00	1	\$ 5,000.00
6.6	TRAFFIC CONTROL	ls	\$ 3,000.00	1	\$ 3,000.00
TOTAL SECTION 6					\$ 21,000.00

SUBTOTAL FOR ALL SECTIONS

\$ 283,815.00

25% CONTINGENCY

\$ 70,953.75

15% ENGINEERING

\$ 42,572.25

TOTAL**\$ 397,341.00**

Appaloosa Water and Drainage LAS- City of Kelowna

Cost For Pre-Design

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
2 STORM SEWERS					
2.1	MAINS & SERVICES				
2.1.1	100 mm PVC SERVICE	ea.	\$ 1,200.00	10	\$ 12,000.00
2.1.2	250 mm PVC	lm.	\$ 120.00	225	\$ 27,000.00
2.1.3	300mm PVC	lm.	\$ 165.00	370	\$ 61,050.00
2.1.4	375mm PVC	lm.	\$ 190.00	355	\$ 67,450.00
2.1.5	450mm PVC	lm.	\$ 230.00	95	\$ 21,850.00
2.1.6	525mm PVC	lm.	\$ 231.00	78	\$ 18,018.00
2.1.7	1800mm CONCRETE PIPE	lm.	\$ 1,552.50	81	\$ 125,752.50
2.1.8	300mm Directional Drilled HDPE	lm.	\$ 150.00	380	\$ 57,000.00
2.2	CATCH BASINS				
2.2.1	C.B.'S c/w BASES, BARRELS, TOPS, FRAMES, GRATES	lm.	\$ 1,800.00	53	\$ 95,400.00
2.2.2	CATCH BASIN LEADS (200mm)	lm.	\$ 70.00	200	\$ 14,000.00
2.2.3	TIE TO EXISTING	ea.	\$ 1,500.00	2	\$ 3,000.00
2.3	MANHOLES				
2.3.1	BARRELS 1050 ø	v.m.	\$ 450.00	77	\$ 34,650.00
2.3.2	LID, FRAME, COVER C/W RISERS, BASE 1050 mm	ea.	\$ 1,900.00	27	\$ 51,300.00
2.3.3	STORMCEPTOR STC-750	ea.	\$ 21,315.00	1	\$ 21,315.00
2.3.4	STORMCEPTOR -STC-1000	ea.	\$ 25,360.00	1	\$ 25,360.00
2.3.5	TIE TO EXISTING	ea.	\$ 3,000.00	3	\$ 9,000.00
2.4	HEADWALLS	ea.	\$ 3,500.00	4	\$ 14,000.00
2.5	DRY POND GRADING	ls	\$ 15,000.00	1	\$ 15,000.00
2.6	DRY POND SURFACE TREATMENT	ls	\$ 10,000.00	1	\$ 10,000.00
2.7	PALAMINO DITCH SHAPING	cu.m	\$ 13.00	490	\$ 6,370.00
	TOTAL SECTION 2				\$ 689,515.50
4 WATER SYSTEM					
4.1	WATERMAINS CL 150 C900 PVC				
4.1.2	200mm	lm	\$ 98.00	765	\$ 74,970.00
4.1.3	250mm	lm	\$ 125.00	225	\$ 28,125.00
4.2	GATE VALVES				
4.2.1	200mm	ea.	\$ 1,200.00	5	\$ 6,000.00
4.2.2	150mm	ea.	\$ 1,000.00	9	\$ 9,000.00
4.3	TEE'S c/w T.B.				
4.3.1	200mm	ea.	\$ 600.00	2	\$ 1,200.00
4.4	BENDS				
4.4.1	200mm	ea.	\$ 400.00	3	\$ 1,200.00
4.5	END CAPS C/W T.B.				
4.5.1	250mm	ea.	\$ 500.00	1	\$ 500.00
4.6	BLOW OFF				
4.6.1	100mm	ea.	\$ 1,500.00	1	\$ 1,500.00
4.7	AIR RELEASE VALVE	ea.	\$ 3,500.00	1	\$ 3,500.00
4.7	HYDRANTS				
4.7.1	HYDRANTS ASSEMBLY	ea.	\$ 4,000.00	8	\$ 32,000.00
4.7.2	CL 150 C900 PVC LEADS	l.m.	\$ 60.00	48	\$ 2,880.00
4.8	TIE TO EXIST.	ea.	\$ 2,500.00	4	\$ 10,000.00
4.9	WATER SERVICES				
4.9.1	25mm SERVICE	ea.	\$ 300.00	28	\$ 8,400.00
4.10	Polyethylene Wrap Ductile Iron Appurtenances	ea.	\$ 100.00	62	\$ 6,200.00
	TOTAL SECTION 4				\$ 185,475.00

Appaloosa Water and Drainage LAS- City of Kelowna**Cost For Pre-Design**

Item No.	Item Description	Unit	Unit Cost	Quantity	Total Cost
6	MISCELLANEOUS ITEMS				
6.1	SURVEYS AND LAYOUT (CONSTRUCTION)	ls	\$ 20,000.00	1	\$ 20,000.00
6.2	BONDING & INSURANCE	ls	\$ 6,000.00	1	\$ 6,000.00
6.4	EROSION AND SEDIMENT CONTROL	ls	\$ 2,000.00	1	\$ 2,000.00
6.5	MOB/DEMOB and GENERAL REQUIREMENTS	ls	\$ 9,000.00	1	\$ 9,000.00
6.6	TRAFFIC CONTROL	ls	\$ 5,000.00	1	\$ 5,000.00
TOTAL SECTION 6					\$ 42,000.00

SUBTOTAL FOR ALL SECTIONS	\$ 916,990.50
25% CONTINGENCY	\$ 229,247.63
15% ENGINEERING	<u>\$ 137,548.58</u>
TOTAL	\$ 1,283,786.70

APPENDIX F

Preliminary Design Drawings



LEGEND

WATER	—
SAN. SEWER	—
STORM SEWER	—
GAS	—
U/G TELEPHONE	—
U/G ELECTRICAL	—

MANHOLE	○ M.H.
UTILITY POLE	● U.P.
POWER POLE	● P.P.
LAMP STANDARD	□ L.S.
CATCH BASIN	□ C.B.
HYDRANT	⊕ H.D.
TREES	⊙ T
SURVEY MONUMENT	⊙

NAD 83

INSERTION BASE POINT= 300,000 , 5,500,000

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NO.	YY/MM/DD	BY	REVISION	CH'KD

FOCUS

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SUITE 702-1708 DOLPHIN AVENUE
KELOWNA, B.C. V1Y 9S4
PHONE (250) 980-5500
FAX (250) 980-5511

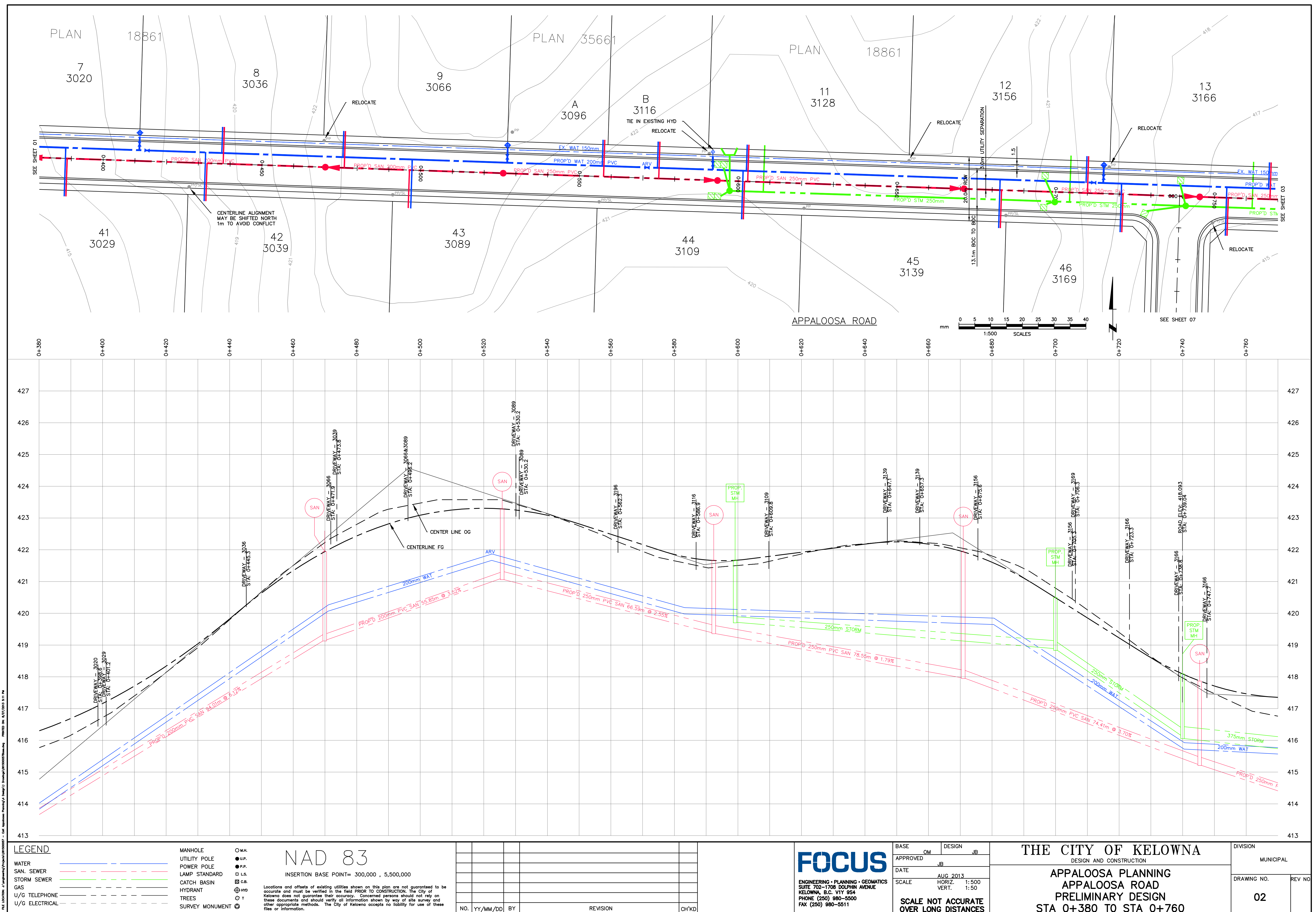
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APPROVED	JB		
DATE	AUG 2013		
SCALE	HORIZ. 1:1500 VERT.		
SCALE NOT ACCURATE OVER LONG DISTANCES			

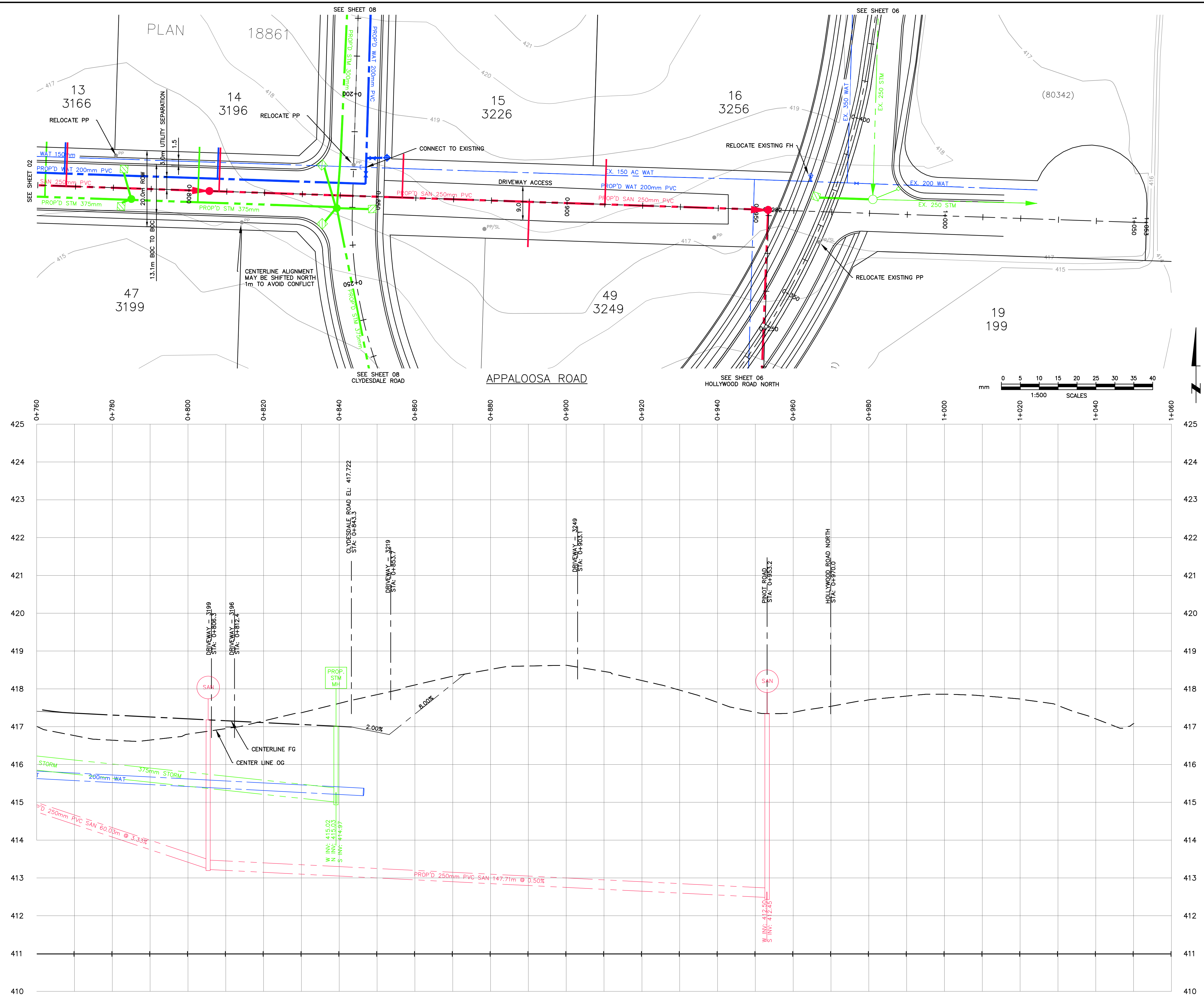
THE CITY OF KELOWNA

DESIGN AND CONSTRUCTION

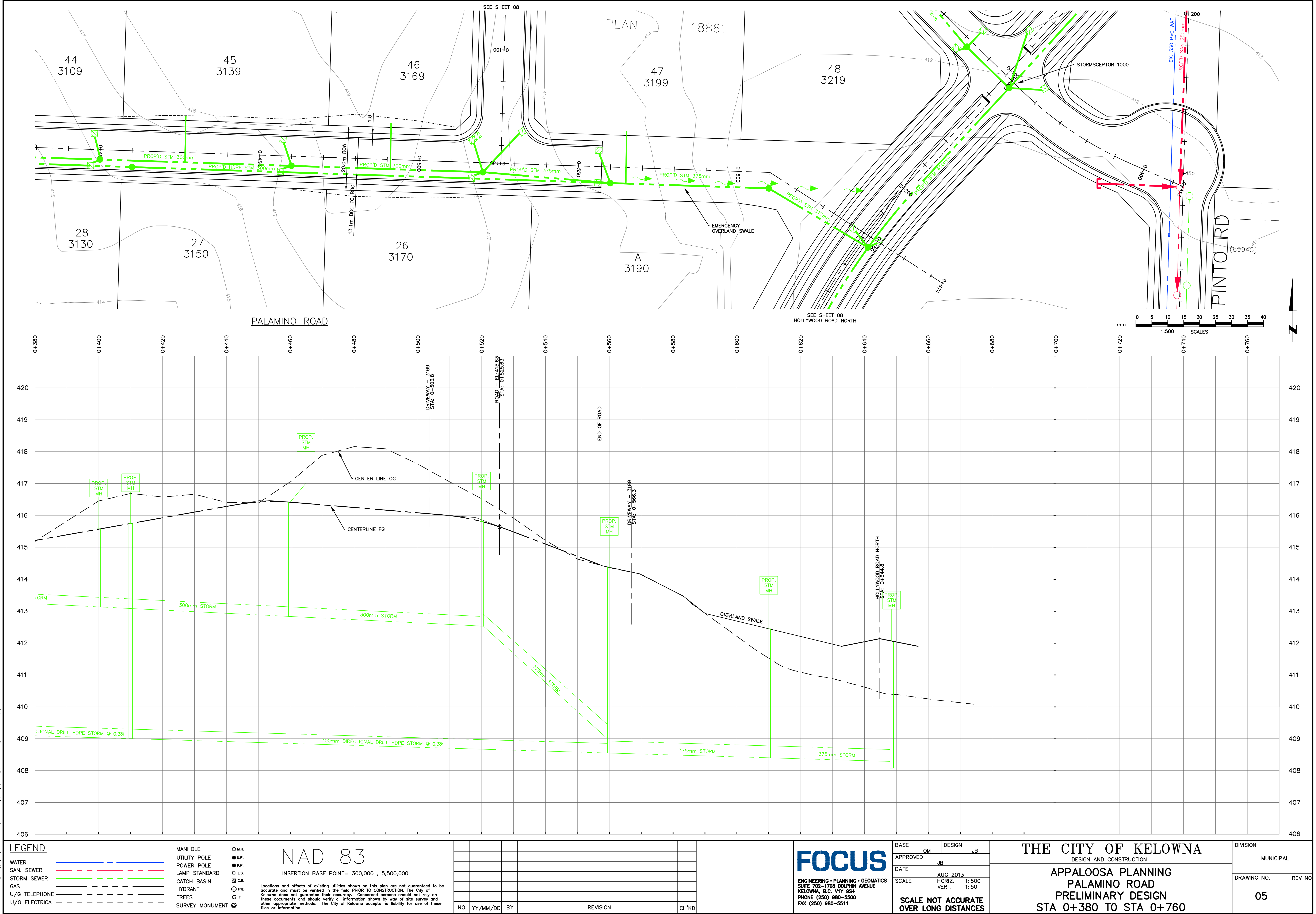
**APPALOOSA PLANNING
OVERALL PLAN
PRELIMINARY DESIGN**

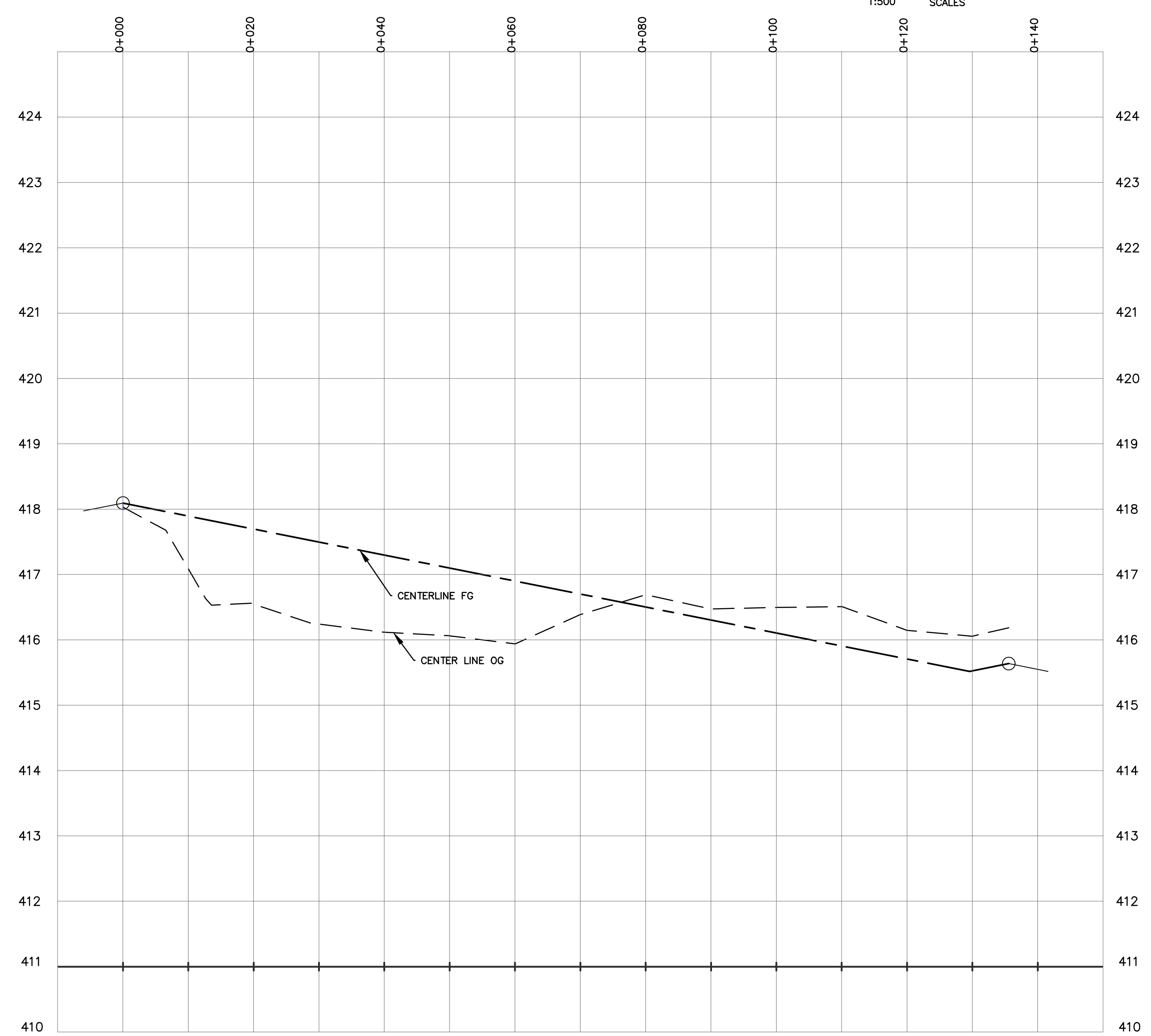
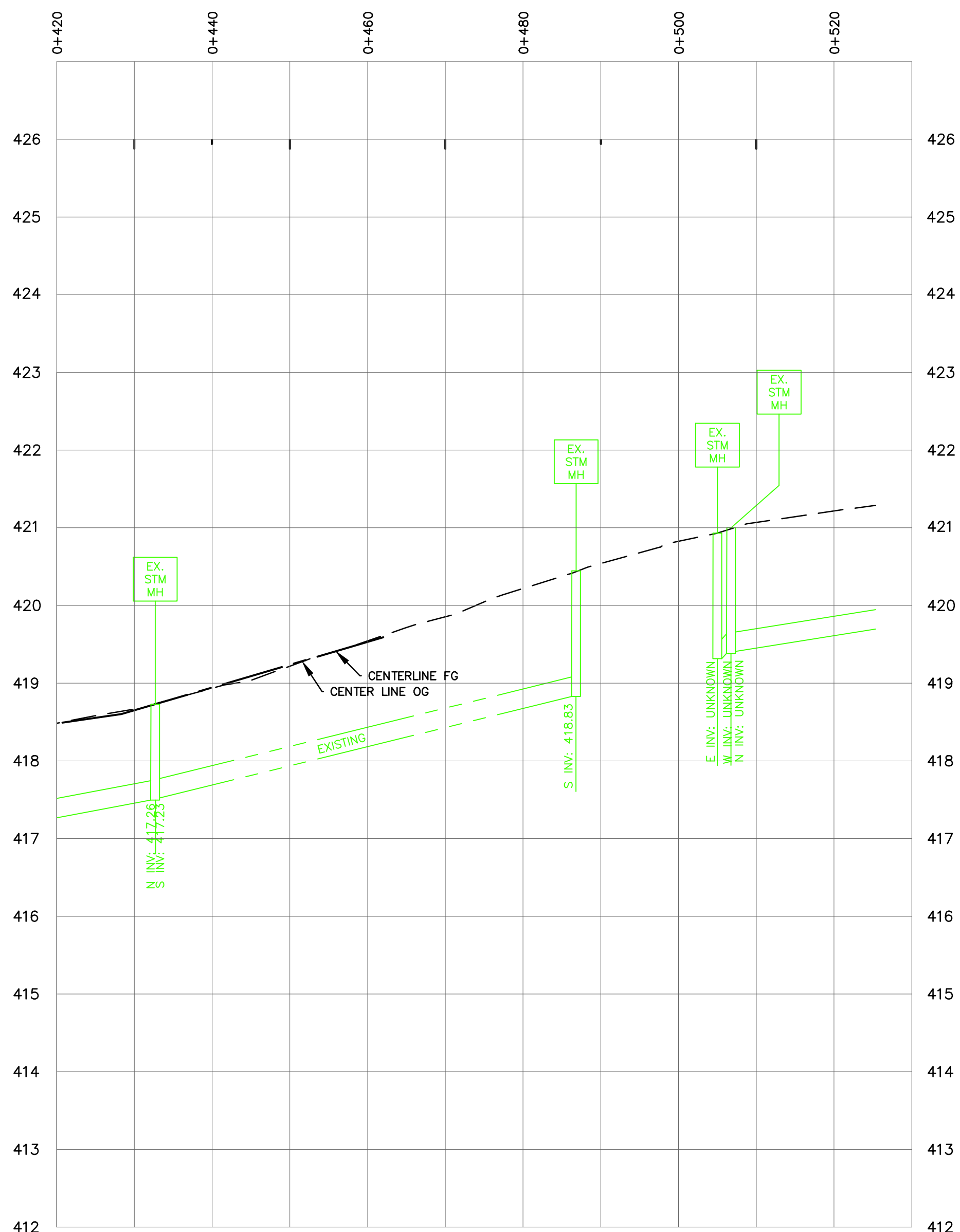
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DRAWING NO.	OVERALL
REV NO	



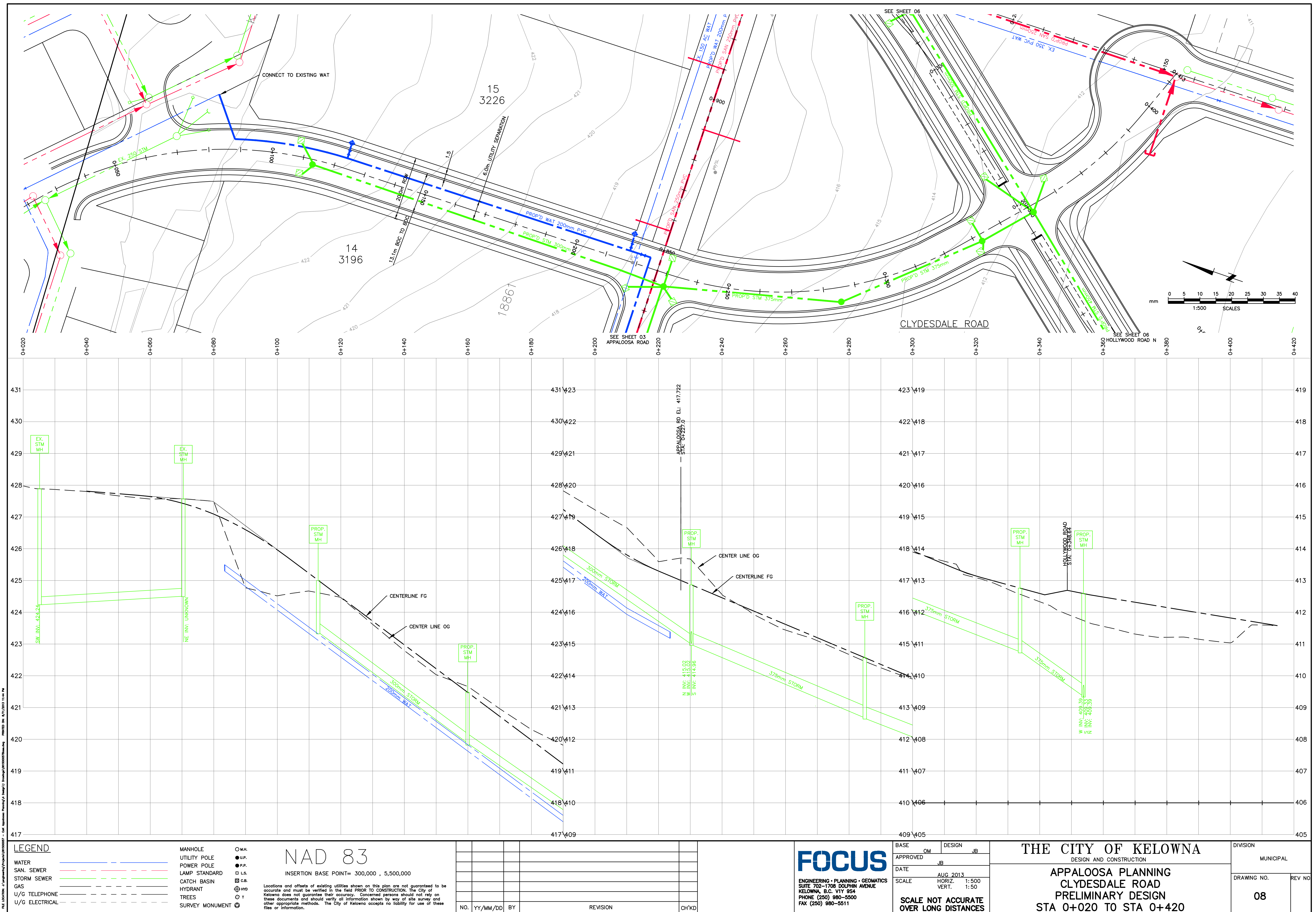


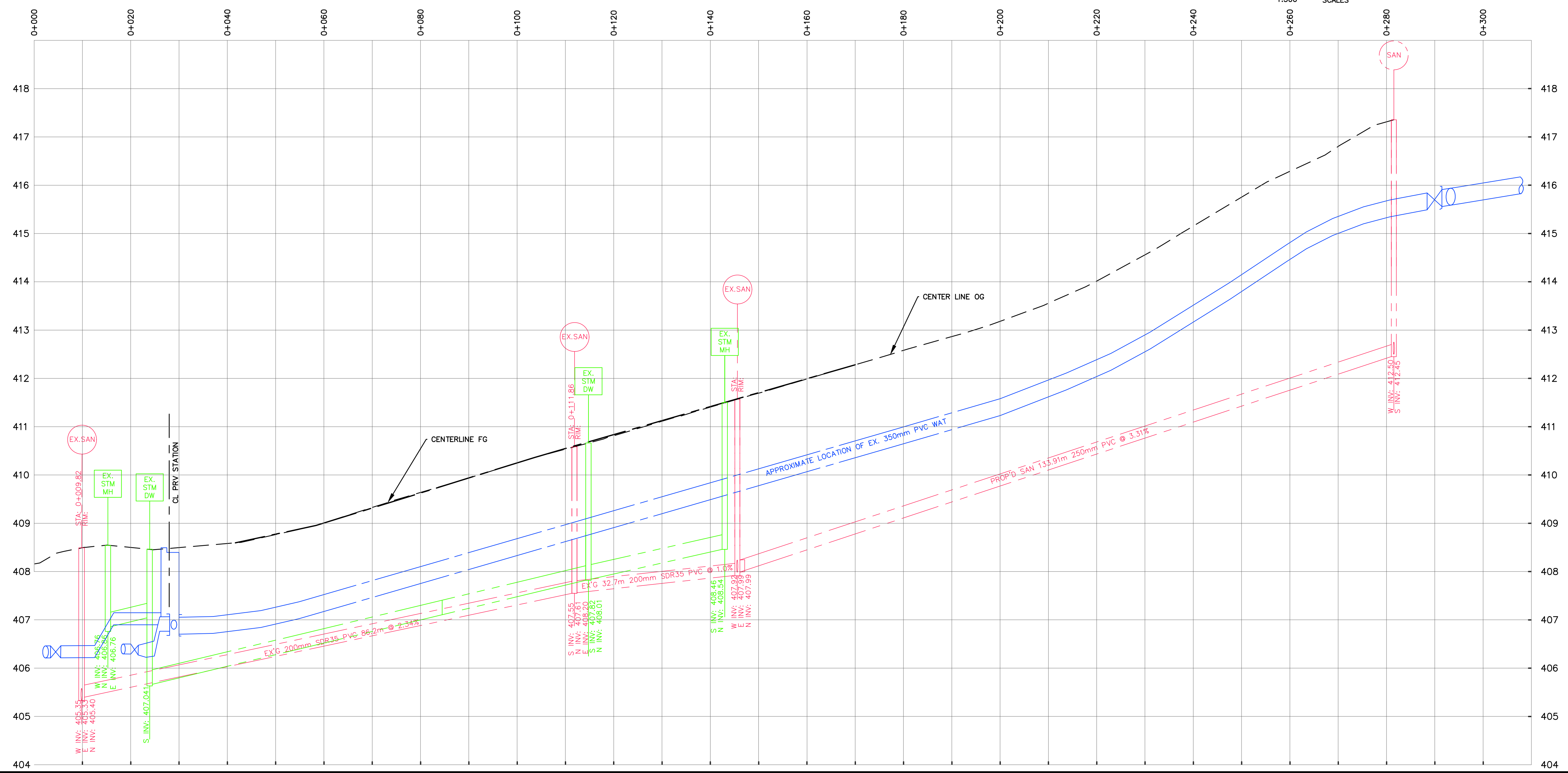
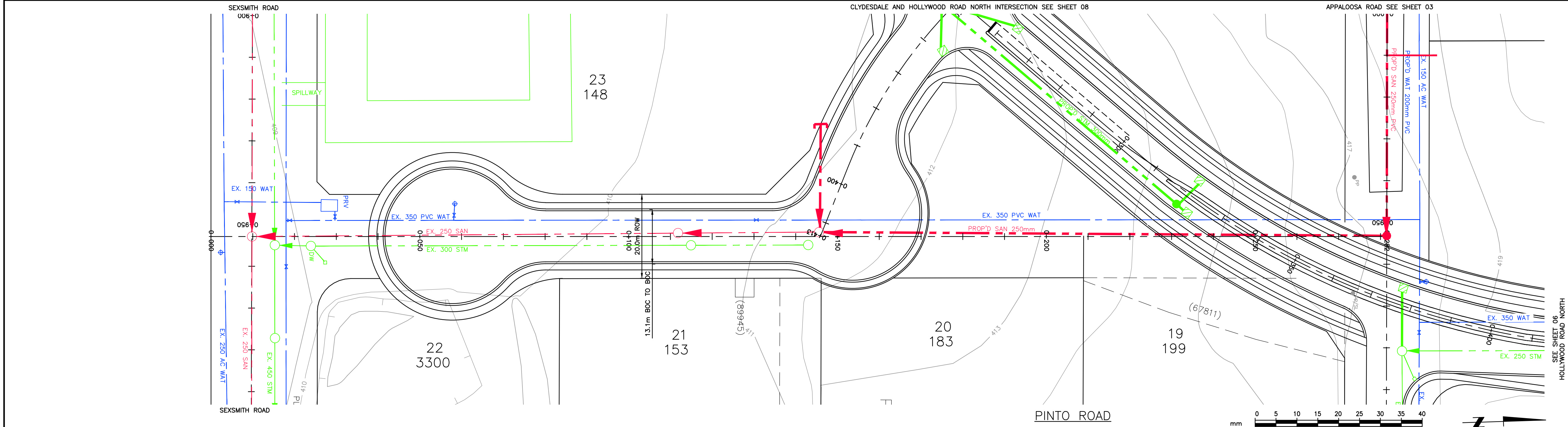
<div>LEGEND</div> <div><div><div>WATER</div><div>SAN. SEWER</div><div>STORM SEWER</div><div>GAS</div><div>U/G TELEPHONE</div><div>U/G ELECTRICAL</div></div><div><div>MANHOLE</div><div>UTILITY POLE</div><div>POWER POLE</div><div>LAMP STANDARD</div><div>CATCH BASIN</div><div>HYDRANT</div><div>TREES</div><div>SURVEY MONUMENT</div></div><div><div>○ M.H.</div><div>● U.P.</div><div>● P.P.</div><div>○ L.S.</div><div>⊗ C.B.</div><div>⊗ H.D.</div><div>○ T</div></div></div>										<div>NAD 83</div> <div>INSERTION BASE POINT= 300,000 , 5,500,000</div> <div>Locations and offsets of existing utilities shown on this plan are not guaranteed to be accurate and must be verified in the field PRIOR TO CONSTRUCTION. The City of Kelowna does not guarantee their accuracy. Concerned persons should not rely on these documents and should verify all information shown by way of site survey and other appropriate methods. The City of Kelowna accepts no liability for use of these files or information.</div>										<div>NO.</div> <div>YR/MM/DD</div> <div>BY</div> <div>REVISION</div> <div>CH'KD</div>										<div>FOCUS</div> <div>ENGINEERING • PLANNING • GEOMATICS</div> <div>SUITE 702-1708 DOLPHIN AVENUE</div> <div>KELOWNA, B.C. V1Y 9S2</div> <div>PHONE (250) 980-5500</div> <div>FAX (250) 980-5511</div>										<div><div><div>BASE</div><div>OM</div><div>DESIGN</div><div>JB</div></div><div><div>APPROVED</div><div>JB</div></div><div><div>DATE</div><div>Aug. 2013</div></div><div><div>SCALE</div><div>HORIZ. 1:500</div><div>VERT. 1:50</div></div><div><div>SCALE NOT ACCURATE</div><div>OVER LONG DISTANCES</div></div></div> <div><div>THE CITY OF KELOWNA</div><div>DESIGN AND CONSTRUCTION</div><div>APPALOOSA PLANNING</div><div>APPALOOSA ROAD</div><div>PRELIMINARY DESIGN</div><div>STA 0+760 TO STA 1+060</div></div> <div><div>DIVISION</div><div>MUNICIPAL</div><div>DRAWING NO.</div><div>03</div><div>REV NO</div></div>									
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<div><div><div>LEGEND</div><div><div><div><div>WATER</div><div><div></div></div></div><div><div>SAN. SEWER</div><div><div></div></div></div><div><div>STORM SEWER</div><div><div></div></div></div><div><div>U/G TELEPHONE</div><div><div></div></div></div><div><div>U/G ELECTRICAL</div><div><div></div></div></div></div><div><div><div>MANHOLE</div><div><div></div></div></div><div><div>UTILITY POLE</div><div><div></div></div></div><div><div>POWER POLE</div><div><div></div></div></div><div><div>LAMP STANDARD</div><div><div></div></div></div><div><div>CATCH BASIN</div><div><div></div></div></div><div><div>HYDRANT</div><div><div></div></div></div><div><div>TREES</div><div><div></div></div></div><div><div>SURVEY MONUMENT</div><div><div></div></div></div></div><div><div><div>M.H.</div><div><div></div></div></div><div><div>U.P.</div><div><div></div></div></div><div><div>P.P.</div><div><div></div></div></div><div><div>L.S.</div><div><div></div></div></div><div><div>C.B.</div><div><div></div></div></div><div><div>HDB</div><div><div></div></div></div><div><div>T</div><div><div></div></div></div></div></div><div><div>NAD 83</div><div>INSERTION BASE POINT= 300,000 , 5,500,000</div><div><div>Locations and offsets of existing utilities shown on this plan are not guaranteed to be accurate and must be verified in the field PRIOR TO CONSTRUCTION. The City of Kelowna does not guarantee their accuracy. Concerned persons should not rely on these documents and should verify all information shown by way of site survey and other appropriate methods. The City of Kelowna accepts no liability for use of these files or information.</div></div></div></div></div>										<table><tr><td>NO.</td><td>YY/MM/DD</td><td>BY</td><td>REVISION</td><td>CH\KD</td></tr><tr><td></td><td></td><td></td><td></td><td></td></tr></table>		NO.	YY/MM/DD	BY	REVISION	CH\KD						<div><div><div>FOCUS</div><div>ENGINEERING • PLANNING • GEOMATICS SUITE 702-1708 DOLPHIN AVENUE KELOWNA, B.C. V1Y 9S4 PHONE (250) 860-8500 FAX (250) 860-5511</div></div><div><table><tr><td>BASE</td><td>OM</td><td>DESIGN</td><td>JB</td></tr><tr><td>APPROVED</td><td colspan="3">JB</td></tr><tr><td>DATE</td><td colspan="3">AUG. 2013</td></tr><tr><td>SCALE</td><td>HORIZ.</td><td colspan="2">1:500</td></tr><tr><td></td><td>VERT.</td><td colspan="2">1:50</td></tr><tr><td colspan="4">SCALE NOT ACCURATE OVER LONG DISTANCES</td></tr></table></div></div>		BASE	OM	DESIGN	JB	APPROVED	JB			DATE	AUG. 2013			SCALE	HORIZ.	1:500			VERT.	1:50		SCALE NOT ACCURATE OVER LONG DISTANCES				<div><div><div>THE CITY OF KELOWNA</div><div>DESIGN AND CONSTRUCTION</div><div>APPALOOSA PLANNING HOLLYWOOD ROAD NORTH AND CONNECTER ROAD PRELIMINARY DESIGN STA 0+000 TO 0+380 & STA 0+000 TO 0+140</div></div></div>		<table><tr><td>DIVISION</td><td>MUNICIPAL</td></tr><tr><td>DRAWING NO.</td><td>07</td></tr><tr><td>REV NO</td><td></td></tr></table>		DIVISION	MUNICIPAL	DRAWING NO.	07	REV NO	
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LEGEND

WATER	— — — — —
SAN. SEWER	- - - - -
STORM SEWER	- - - - -
GAS	- - - - -
U/G TELEPHONE	- - - - -
U/G ELECTRICAL	- - - - -

MANHOLE	○ M.H.
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NAD 83

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SUITE 702-1708 DOLPHIN AVENUE
KELOWNA, B.C. V1Y 9S4
PHONE (250) 980-5500
FAX (250) 980-5511

BASE	OM	DESIGN	JB
APPROVED	JB		
DATE	AUG 2013		
SCALE	HORIZ. 1:500 VERT. 1:50		
SCALE NOT ACCURATE OVER LONG DISTANCES			

THE CITY OF KELOWNA

DESIGN AND CONSTRUCTION

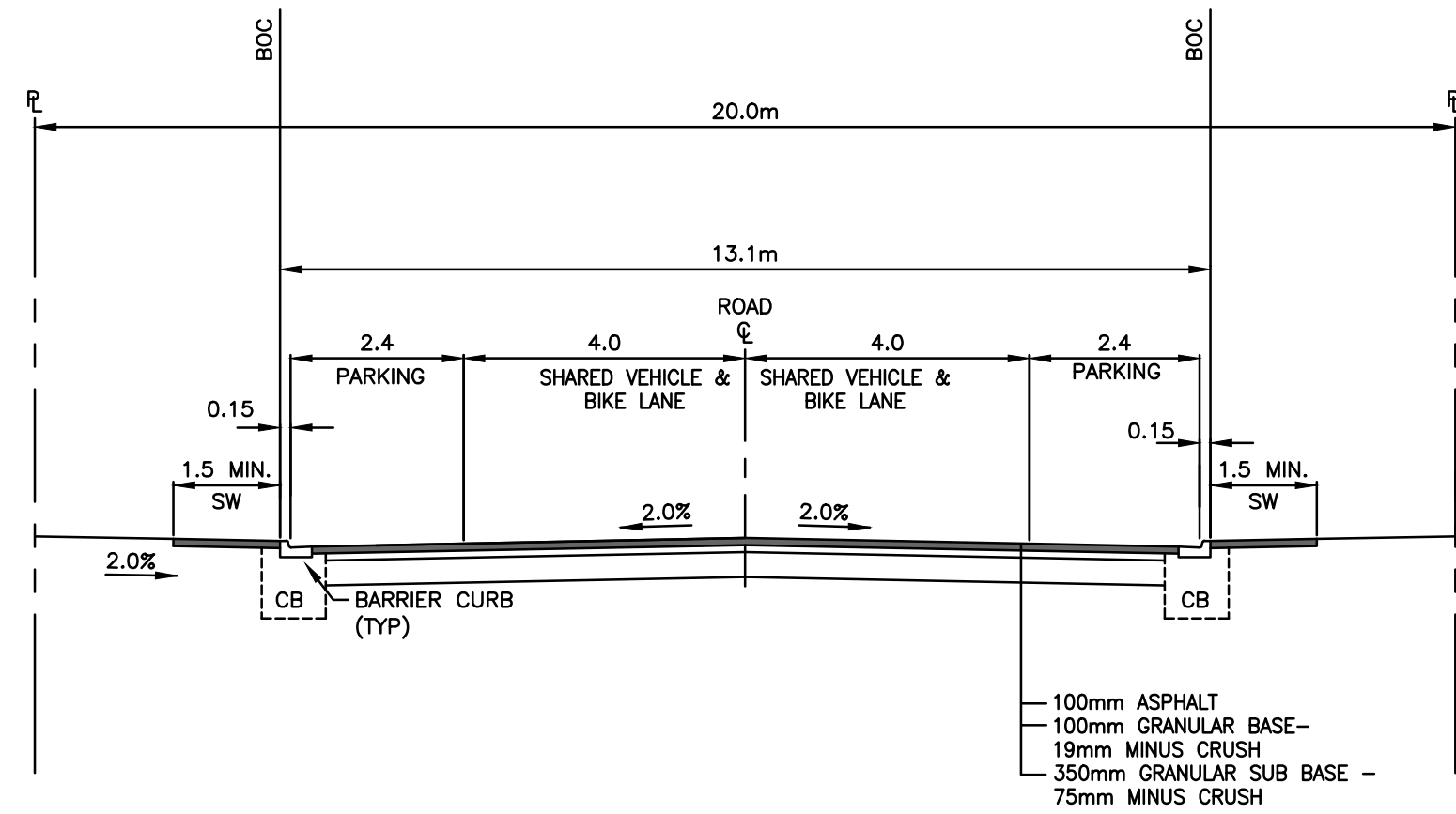
APPALOOSA PLANNING

PINTO ROAD

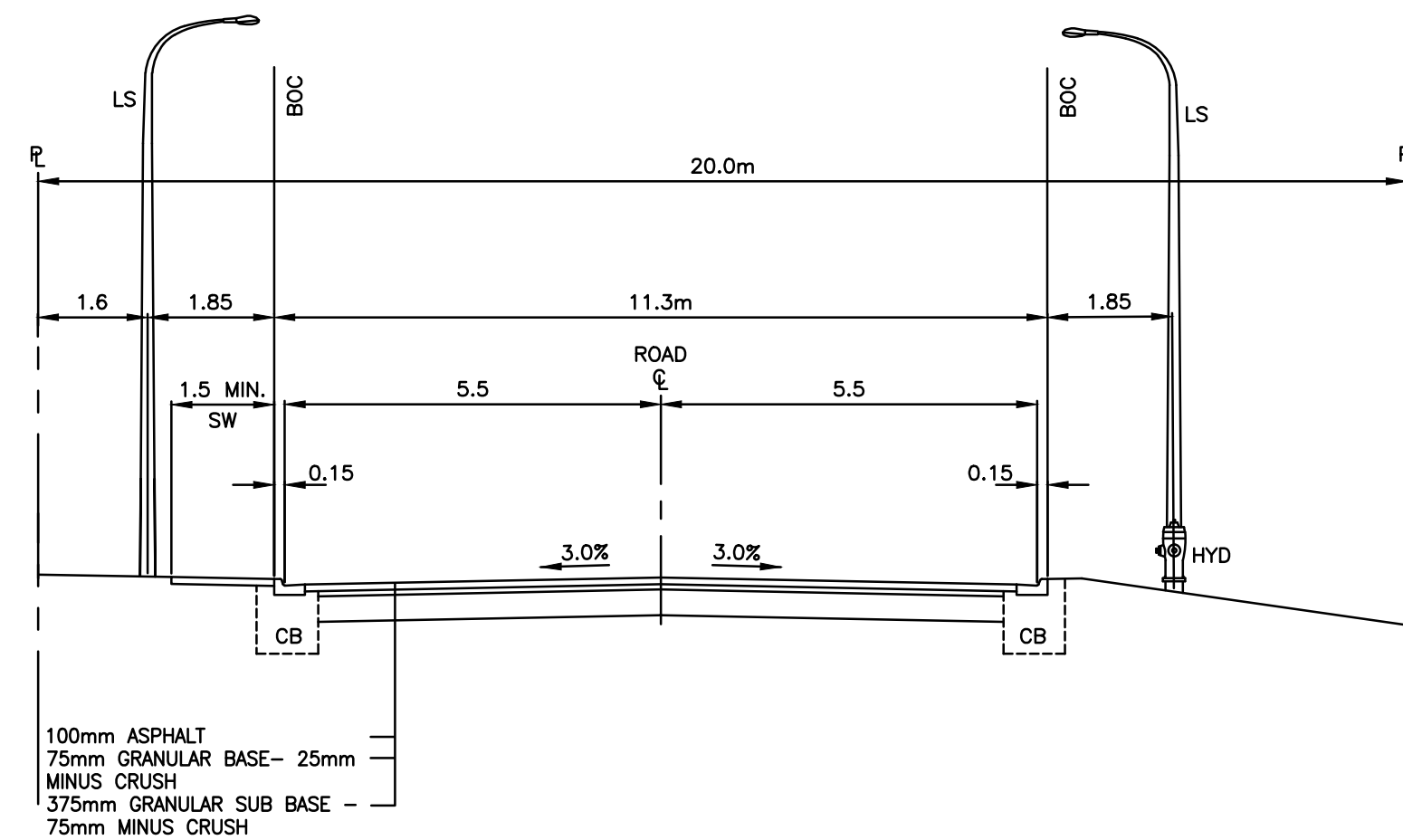
PRELIMINARY DESIGN

STA 0+000 TO STA 0+300

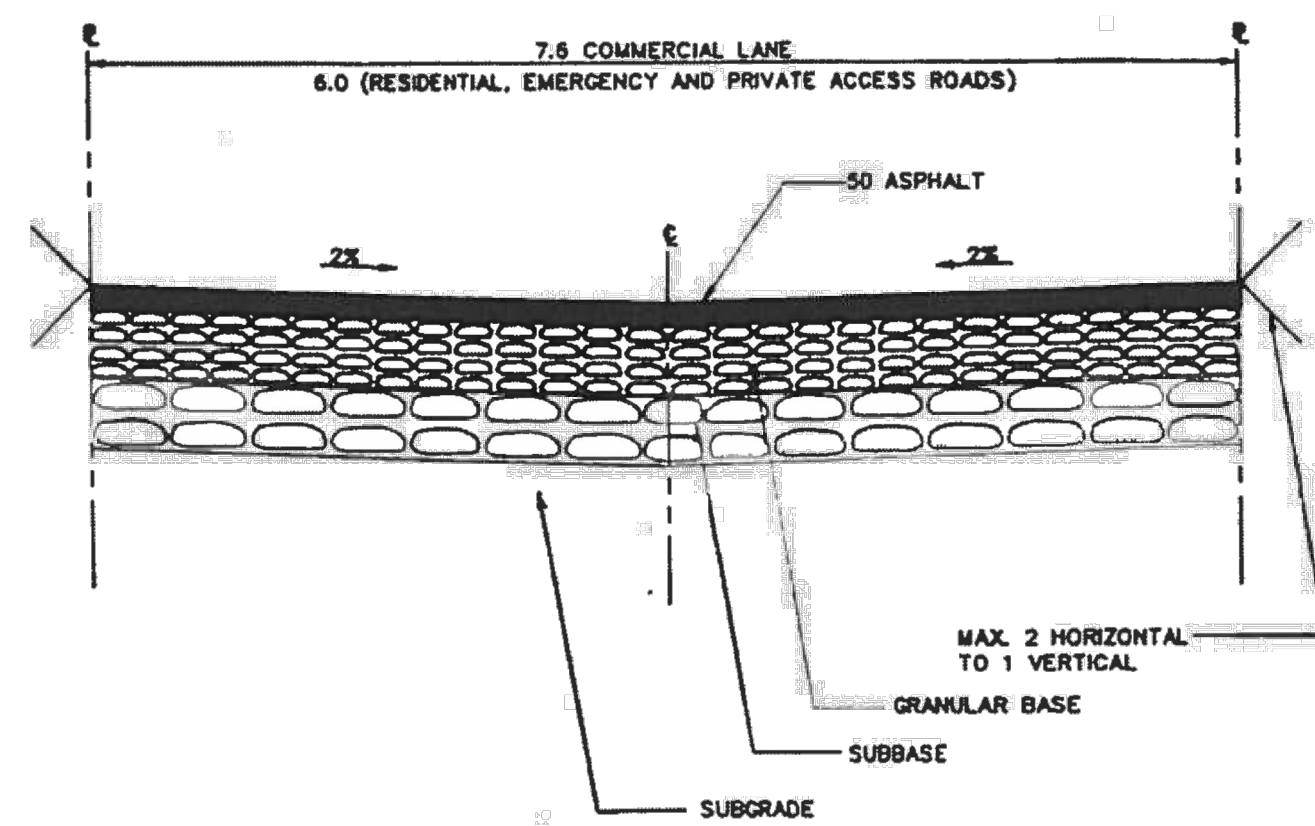
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DRAWING NO.	09
REV NO	



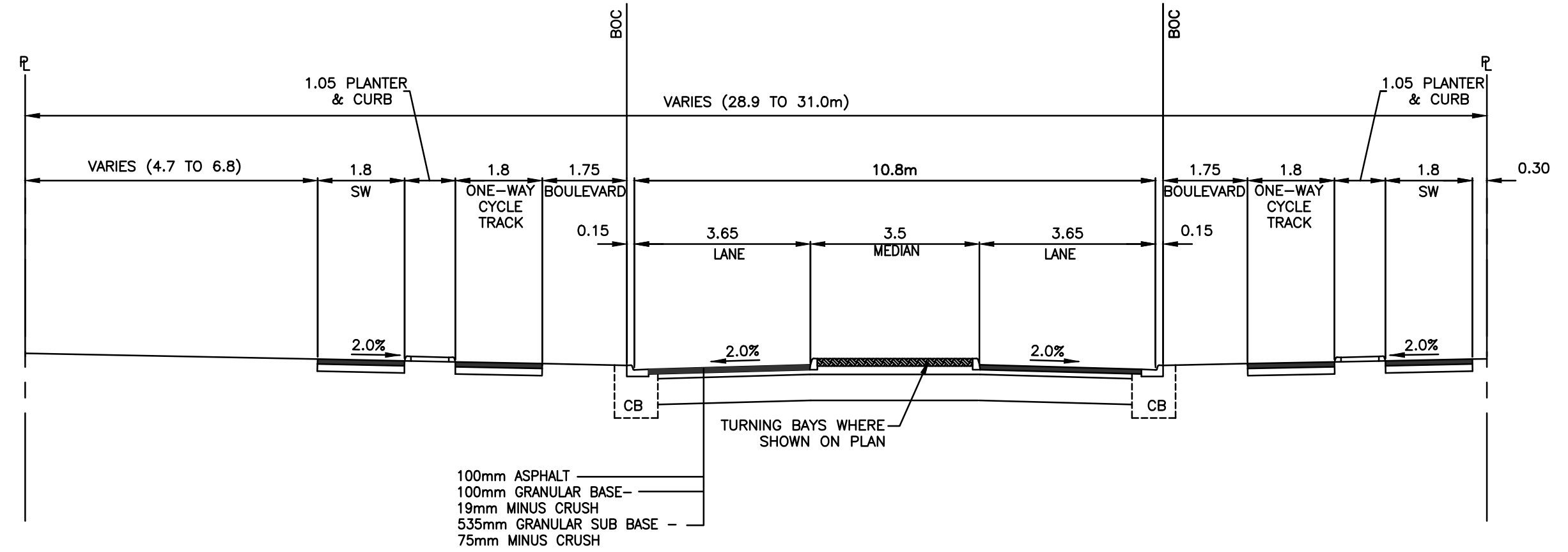
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(SEE SS-R5)
SCALE: 1:100



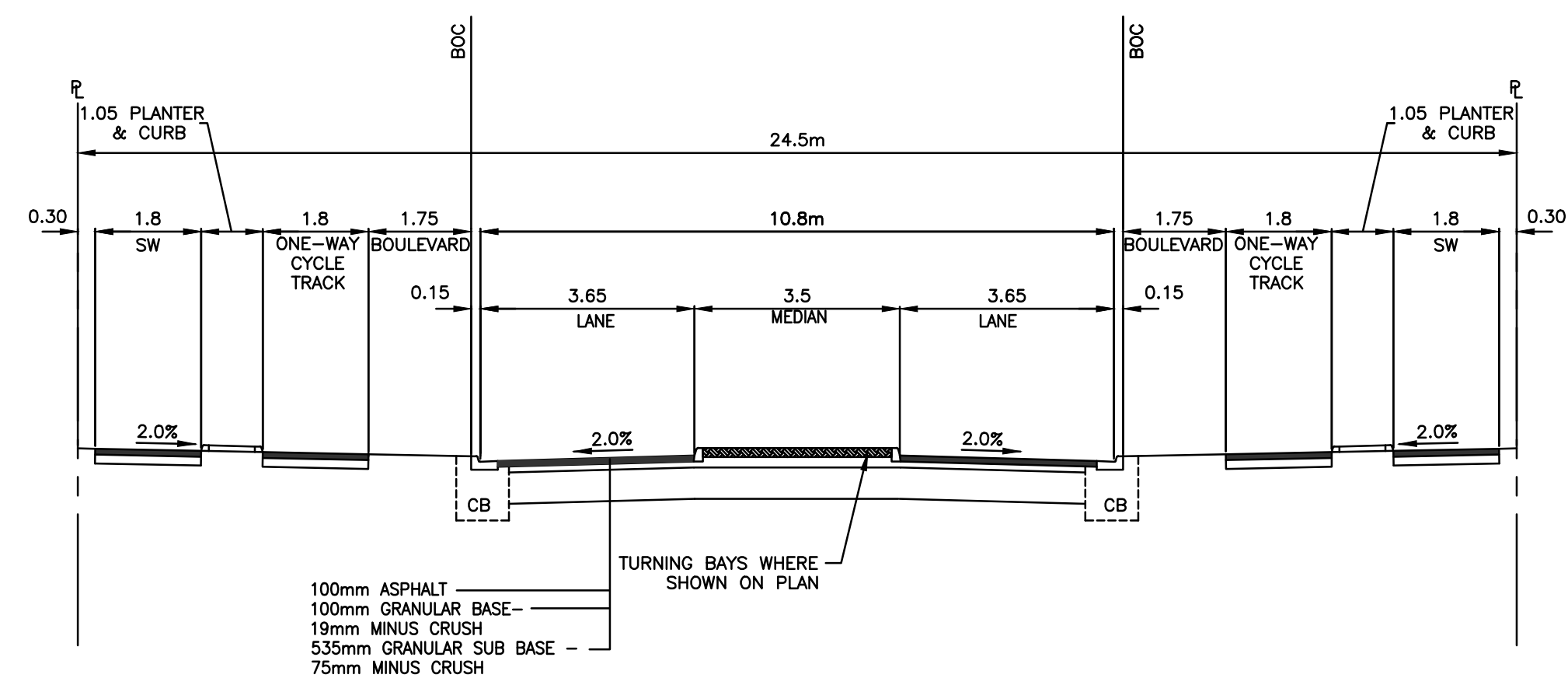
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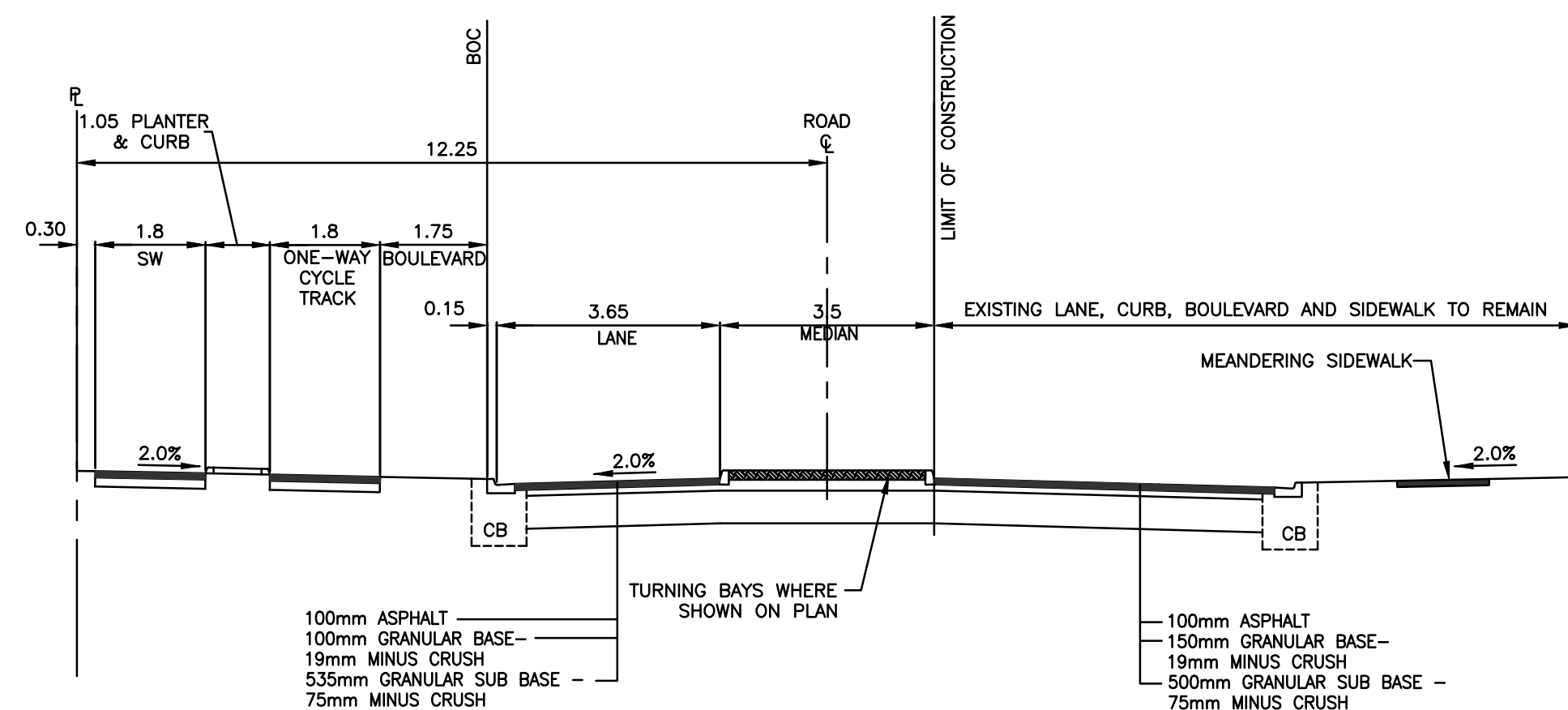
COMMERCIAL DRIVEWAY SECTION
(SEE SS-R2)
SCALE: 1:50



HOLLYWOOD ROAD NORTH CROSS SECTION
STA 0+90 TO 0+200
SCALE: 1:100



HOLLYWOOD ROAD NORTH CROSS SECTION
STA 0+200 TO 0+370
SCALE: 1:100



HOLLYWOOD ROAD NORTH CROSS SECTION
STA 0+370 TO 0+536
SCALE: 1:100

LEGEND	
WATER	— — — — —
SAN. SEWER	— — — — —
STORM SEWER	— — — — —
GAS	— — — — —
U/G TELEPHONE	— — — — —
U/G ELECTRICAL	— — — — —

MANHOLE	○ M.H.
UTILITY POLE	● U.P.
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BASE	OM	DESIGN	JB
APPROVED	JB		
DATE	AUG 2013		
SCALE	HORIZ. 1:1500		
	VERT.		
SCALE NOT ACCURATE OVER LONG DISTANCES			

THE CITY OF KELOWNA
DESIGN AND CONSTRUCTION
APPALOOSA PLANNING
CROSS SECTIONS
PRELIMINARY DESIGN

DIVISION	
MUNICIPAL	
DRAWING NO.	REV NO
X-SEC	

Report to Council



Date: September 30, 2013
File: 0600-30
To: City Manager
From: S. Fleming, City Clerk
Subject: Kelowna Downtown Business Improvement Area - BL10880
Report Prepared by: C.Boback, Legislative Coordinator

Recommendation:

THAT Council receives for information, the Certificate of Sufficiency from the City Clerk dated September 30, 2013 pertaining to the establishment of the Kelowna Downtown Business Improvement Area.

AND THAT Bylaw No. 10880 being the Kelowna Downtown Business Improvement Area Bylaw be forwarded for adoption.

Purpose:

To submit the Certificate of Sufficiency for the Kelowna Downtown Business Improvement Area and to advance Bylaw No. 10880 for adoption.

Background:

At the Regular Council Meeting on August 22, 2013, three readings were given to the Kelowna Downtown Business Improvement Area Bylaw No. 10880, which authorizes the continuation of a Business Improvement Area ("BIA") in Downtown Kelowna over a 5 year period (January 1, 2014 through December 31, 2018) inclusive.

Under the *Community Charter*, notices must be mailed to affected property owners, and advertisements must be placed in a local newspaper and on a public notice board. Petitions against the proposed bylaw must be received by the Officer responsible for Corporate Administration (the City Clerk) by the deadline set by Council, and must be certified as sufficient or not, according to the requirements of the legislation.

As of the deadline date, the Office of the City Clerk had received thirty (30) valid petitions and four (4) invalid petitions. Three (3) petitions were signed by less than the majority of property owners and a letter in opposition was received and was not on the Council approved

petitioning form. At least one hundred and ninety-eight (198) valid petitions would be required to defeat the bylaw.

As there were an insufficient number of valid petitions were received prior to the petition deadline, Council may now consider adoption of the bylaw.

Legal/Statutory Authority:

Community Charter, Sections 94, 211, 212 and 215

Legal/Statutory Procedural Requirements:

Notice was advertised in the Kelowna Capital News on August 16 and 23, 2013 and was posted on the notice board at City Hall on August 15, 2013. Notices were mailed to the owners of the 395 affected parcels on August 16, 2013 giving a deadline of 4:00 p.m. Monday, September 23, 2013 for receipt of petitions against Bylaw No. 10880.

Considerations not applicable to this report:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:

Communications Comments:

Alternate Recommendation:

Internal Circulation:

Submitted by:

S. Fleming, City Clerk

Approved for inclusion:



(R. Mayne, Director of Corporate Services)

cc:

G. King, Revenue Manager

CITY OF KELOWNA
CLERK'S CERTIFICATE OF SUFFICIENCY

I hereby certify that sufficient petitions **HAVE NOT** been received in relation to the Kelowna Downtown Business Improvement Area Bylaw No. 10880 as detailed below.

Dated this 24th day of September, 2013.


S. Fleming, City Clerk

Bylaw No.	Description Of Proposal	No. of Parcels	No. Required to Defeat Proposed Establishment of BIA (At least 50%)	Total No. of Valid Petitions Received	Assessed Value Required to Defeat Proposed Establishment of BIA (At least 50% of Total)	Total Petitioners' Assessment
Kelowna Downtown Business Improvement Area Bylaw No. 10880	To create a business improvement area for Kelowna's Downtown, implemented by the Downtown Kelowna Association.	395	198	30	\$247,950,100.00	\$16,488,301.00

CITY OF KELOWNA

BYLAW NO. 10880

KELOWNA DOWNTOWN BUSINESS IMPROVEMENT AREA

A bylaw of the City of Kelowna to re-establish a local area service for the purposes of annually funding the Kelowna Downtown Business Improvement Area (2014-2018).

WHEREAS section 215 of the *Community Charter* provides Council with the authority to establish, by bylaw, a business improvement area ("BIA");

AND WHEREAS the Council of the City of Kelowna has been notified that the owners of certain properties in the downtown area of the City have formed a BIA merchant association known as the Downtown Kelowna Association ("DKA");

AND WHEREAS the Council of the City of Kelowna has mailed to the owners of the parcels liable to be specially charged, pursuant to section 213 of the *Community Charter*, notice of Council's intention to proceed with a bylaw to establish the Kelowna Downtown BIA for the years 2014-2018 in order to provide certain services, through the DKA, under a business promotion scheme;

AND WHEREAS notice of Council's intention to proceed with a bylaw to re-establish the Kelowna Downtown BIA for the years 2014-2018 in order to enable the DKA to provide certain services under a business promotion scheme has been published in a newspaper pursuant to section 213 of the *Community Charter*;

AND WHEREAS any petition received against the proposed work was not sufficient pursuant to section 212 of the *Community Charter*, to prevent Council from proceeding;

NOW THEREFORE, the Council of the City of Kelowna, in open meeting assembled, enacts as follows:

1. Those lands within the area shown outlined in black on the map attached hereto and forming part of this bylaw as Schedule "A" are designated as a Business Improvement Area (BIA) within the meaning of section 215 of the *Community Charter* and shall be known as Downtown Kelowna Business Improvement Area.

2. Council is hereby empowered to grant to the DKA, for the term of this bylaw, money in the amount of the DKA's annual budget, as submitted to and approved by Council, but in any event not exceeding the sum of Eight Hundred and Eighty-Seven Thousand, Four Hundred and Seven Dollars (\$887, 407.00) per annum.
3. Money granted pursuant to section 2 of this bylaw must be expended only by the DKA.
4. Money granted pursuant to section 2 of this bylaw shall be expended only for projects provided for in the annual budget of the DKA, as submitted to and approved by Council, and following the Business Promotion Scheme, attached to and forming part of this bylaw as Schedule "B".
5. The DKA shall submit to the Council of the City of Kelowna, annually, on or before March 15, a budget for the calendar year, which outlines revenues and expenditures related to the carrying out of the Business Promotion Scheme outlined in Schedule "B" during that year.
6. The DKA shall account for the money granted by Council for the previous calendar year at the same time as the annual budget is submitted pursuant to section 5 hereof.
7. An advance payment equal to 25% of the prior year grant amount may be provided to the DKA prior to Council approval of the annual budget for each of the years included in this agreement. Any advance payment shall then be deducted from the total grant amount to be paid to the DKA for that year following Council's review and approval of the annual budget.
8. The DKA shall not incur any indebtedness or other obligations beyond each budget year.
9. There shall be levied annually against all taxable land and improvements within the designated Business Improvement Area which fall within Class 5 or 6 of the Assessments - Class and Percentage Levels Regulation, B.C. Reg. 438/81 excluding Federal, Provincial and Municipal owned properties used for government purposes, and based on assessed values, rates sufficient to raise the sum in accordance with section 2 herein or such lesser amount as granted to the DKA pursuant to the provisions of this bylaw.
10. The DKA shall take out and maintain public liability, property damage, and other required insurance naming the City of Kelowna as Additional Insured in the amount of not less than \$2,000,000.00, and shall provide upon request to the City of Kelowna proof of such insurance in the form of the City's standard Certificate of Insurance.

11. The DKA shall procure and maintain at its own expense:
 - (a) Comprehensive General Liability Insurance providing for all sums which the DKA shall become legally obligated to pay for as a result of bodily injury, property damage or other damages, providing for an inclusive limit of not less than \$2,000,000.00 for each occurrence or accident;
 - (b) Automobile Liability Insurance covering all motor vehicles owned operated and used directly or indirectly in the operations of the DKA, with a limit of liability of not less than \$2,000,000.00 inclusive; and
 - (c) Such other insurance coverage appropriate for the operations of the DKA as determined by the City.
12. All Insurance required to be obtained by the DKA pursuant to this bylaw shall name the City as an Additional Insured, and shall be primary without any right of contribution from any insurance otherwise maintained by the City.
13. The DKA shall submit Certificates of Insurance as, and in the form, required by the City, which shall provide that 30 days' written notice shall be given to the Risk Manager of the City, or designate, prior to any material changes or cancellations of any such policy or policies.
14. The Business Improvement Area created by this bylaw may be merged with another Business Improvement Area, whether contiguous or not, for the purpose of providing, consolidating or completing necessary works or services for the merged area.
15. This bylaw shall be effective from January 1, 2014 through December 31, 2018 inclusive.
16. This bylaw may be cited as "Kelowna Downtown Business Improvement Area Bylaw No. 10880."

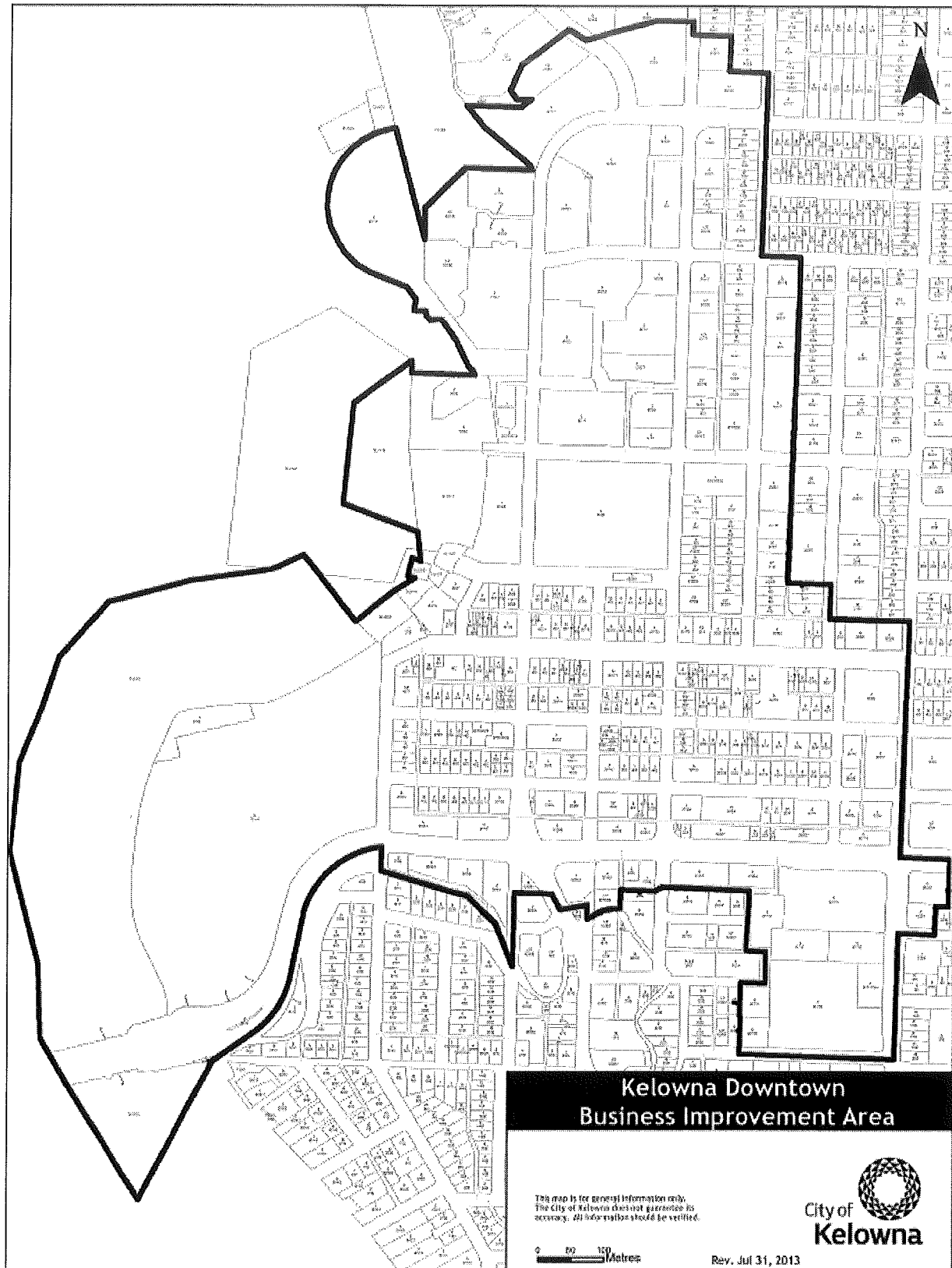
Read a first, second and third time by the Municipal Council of the City of Kelowna this 12th day of August, 2013.

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

SCHEDULE A - Map



DOWNTOWN KELOWNA

Kelowna Downtown Business
Improvement Area Association
Business Promotion Scheme 2014 - 2018

Kelowna Downtown Business Improvement Area Association Business Promotion Scheme 2014 - 2018

History

The Kelowna Downtown Business Improvement Area Association (Downtown Kelowna Association, DKA) is a registered not-for-profit society with a mission to ensure the Downtown Kelowna neighbourhood is a safe and desirable place to conduct business, live, work, and recreate. While initially formed as a volunteer grass roots organization in the mid 1980s, the DKA officially came into existence as an entity in November 1989 funded through an improvement levy collected by the municipality from commercial properties in the area. The annual levy becomes the Association's base operating budget upon which the organization leverages additional funding from partners including various levels of governments, contracts for service and corporate sponsors to support programs and initiatives.

As the third community in British Columbia to initiate a Business Improvement Area (BIA), the Association has grown to become a provincial leader in programs and initiatives. The current Executive Director, Peggy Athans, sits on the BIABC Board of Directors.

Benefits of a BIA

Coordinated Efforts - Working together, everyone is able to achieve more than working alone. Whether it is addressing street issues, managing growth and development, or attracting new businesses, the efforts of the Association, its membership, and stakeholders has an impact in the community.

Sustainable Funding - Through a five-year mandate, the BIA structure allows the Association to plan and execute multi-year programs. This has allowed the expansion of programs from ad hoc or seasonal to annual programs through a mix of core funding and leveraged dollars from government and corporate sources. Each year, the DKA typically leverages approximately 17.5% of its annual base budget towards core projects and initiatives from government and corporate sources.

Self-Reliance - The BIA model provides both the structure and mechanisms for the Association to identify Downtown priorities and useful programs and allocate money towards these initiatives. Businesses benefit from the whole area coming together to leverage its resources verses each business trying to work independently.

Strong Public Image - The activities and commitment of the Association to improve the area through stewardship raises the profile of the Downtown and creates an image of a "cared for" area of the community.

Community Benefits - Consensus amongst economic development professionals, supported by numerous development reports, relate that the health of an entire community can be measured by the success of its Downtown. A strong vibrant Downtown, the heart of any community regardless of size, enhances the image and economy of the entire community.

Downtown Kelowna Boundary & Membership

The Downtown Kelowna Association membership consists of the businesses and property owners located within the current 42 square block radius from Harvey Avenue to Clement Avenue and from Okanagan Lake to Richter Street (see map on page 3). In anticipation of the Central Greens Development Project in the next five years, expanding the current boundaries extensively would comprise the level of service and value that the DKA could provide to its membership. The DKA wishes to expand its existing boundary by taking in only three new properties.

1. 1327 St. Paul Street - St. Paul Place
2. 1345 St. Paul Street - Public Guardian and Trustee office
3. 1155 Ellis Street - Sunplex Sports Arena

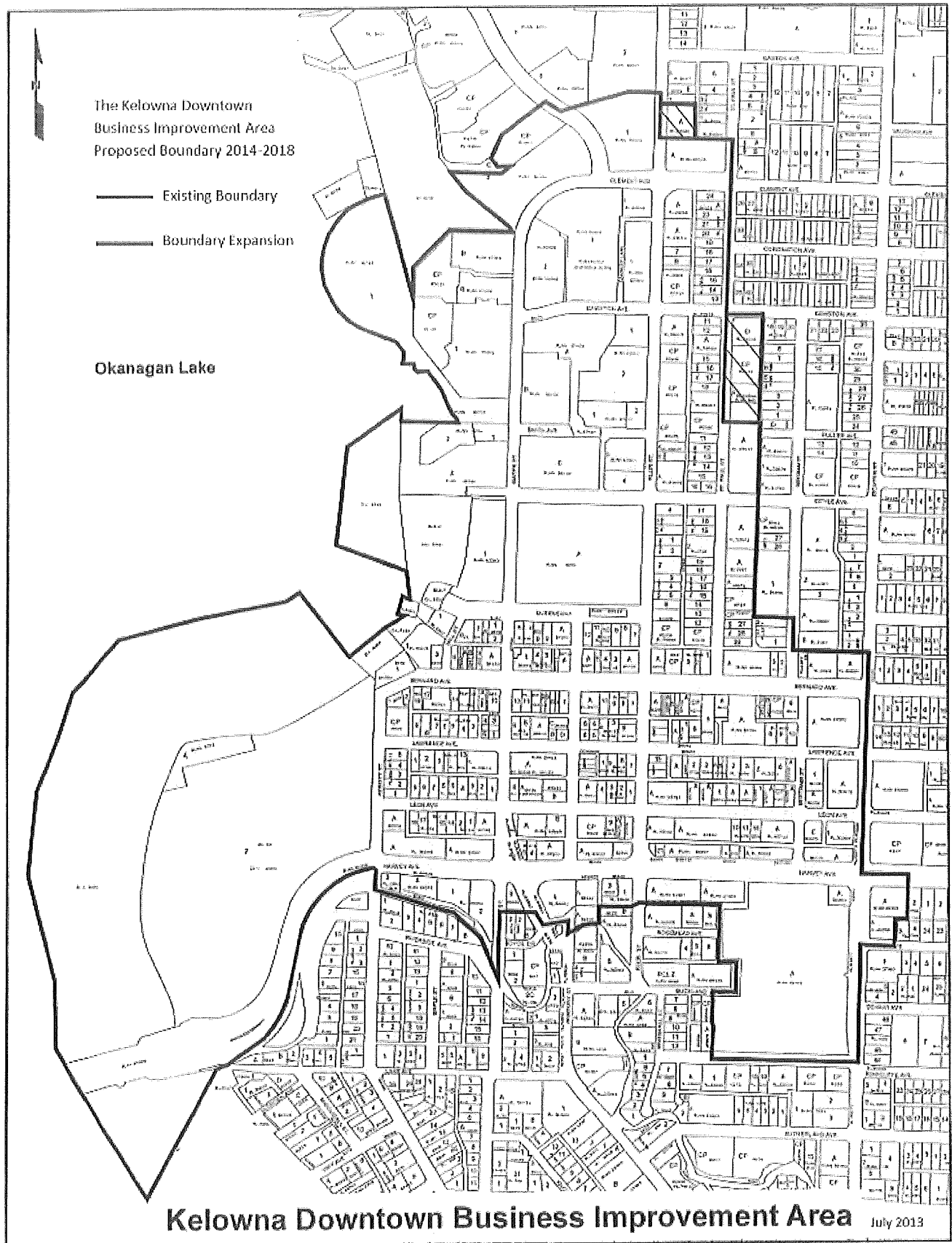
Who is the Membership?

Membership consists of the businesses and properties (Class 5 and 6) within the boundary area (see map on page 3).

As of January 2013, there are 1226 members - 443 property owners and 783 businesses.

Top Ranking Categories

Professional Services	161	20.6%
Retail	157	20.1%
Services	132	16.9%
Restaurants	75	9.6%
Government & Not-For-Profit	62	7.9%
Lawyer & Notary	43	5.5%
Beauty, Spa & Barber	36	4.6%
Art	23	2.9%
Entertainment & Attractions	18	2.3%
Medical & Dental	14	1.8%
Coffee & Tea Houses	12	1.5%
Museums & Theatre	10	1.3%
Points of Interest	9	1.1%
Accommodation	5	0.6%



Downtown Kelowna Vision & Mission Statement

Vision

Our vision is for Downtown Kelowna to be recognized as a vibrant and thriving business community.

Mission

The Downtown Kelowna Association plays a leadership role in fostering the continued development of the Downtown as a safe and desirable place to conduct business, live, work and enjoy through **advocacy, fostering collaboration among members and community stakeholders**; and execution of innovative programs.

Goals for 2014 - 2018

Accountability

The Downtown Kelowna Association is governed by a membership elected Board of Directors. The Board and sub-committees complete ongoing evaluations of programs and initiatives to ensure effectiveness and financial responsibility. Results from an annual Membership Survey on a wide range of issues are used, together with input from the Board of Directors, to develop an annual Service Plan with a clear list of priorities.

Membership Communication

The DKA will continue to make communication with the membership a top priority through the following avenues:

- **The website (downtownkelowna.com)** features the Member's Centre that includes clearly marked links to Services, Programs, Events and On-Street Services.
- **An E-Newsletter** to keep members up to date.
- **Bi-annual open houses** which gives the members a chance to come up to the DKA office, talk one-on-one with the staff, ask questions, learn how to take advantage of downtownkelowna.com and talk about advocacy.
- **A Membership Checklist** which gives members a clear list of complimentary ways they can promote their businesses.
- **Face to face contact.** The most effective way to communicate with our members is face to face. DKA staff visits businesses to provide information on events and promotions, voice radio ads, appear in promotional videos and to increase membership engagement in all of the DKA initiatives.
- **An annual Membership Survey** to evaluate the level to which membership feels that the DKA represents their point of view and evaluate how the membership values the DKA services and initiatives.

Business Recruitment

The DKA will work with the City of Kelowna, leasing and sales agents plus the Economic Development Commission to attract businesses and developments to Downtown through the following avenues:

- Partner with the City of Kelowna to produce and maintain a **Downtown Information Package** which communicates the unique Downtown attributes, incentives and projects in progress.
- Maintain an **Interactive Map** hosted on **downtownkelowna.com** that highlights photos and details of current and in progress development projects.
- Attend the annual **ICSC Conference and Tradeshow** at Whistler.
- Facilitate a **Working Group** of Downtown developers, leasing and sales agents and the City of Kelowna Real Estate staff to assist in keeping the information up to date and provide details of ongoing projects.

Advocacy

The DKA Board of Directors will identify advocacy priorities on an on-going basis and the DKA clearly communicates those priorities to the City of Kelowna and the DKA members. The DKA will take steps to ensure that the Advocacy goals are understood and supported by the membership. The DKA Board and staff will work with the City of Kelowna to achieve advocacy goals. The five year Advocacy Goals are to achieve the following:

- Have sufficient public toilets to service the Downtown.
- Restore two-way traffic lower Leon and Lawrence.
- Ensure the Ellis Truck Route reroute to Gordon Drive is implemented.
- Ensure the Kerry Park redesign is implemented.
- Work with the City of Kelowna and Ministry of Transportation to install prominent signage on Highway 97 identifying Downtown Kelowna and create one or more prominent entrance features to Downtown Kelowna.
- Encourage the City to continue attractive development incentives for Downtown Kelowna.
- Partner with the City to create and implement a communication strategy to change the public perception of parking in Downtown. Work with the City to address Downtown parking issues that may arise as revitalization progresses.

On-Street Services

The DKA's philosophy is that *taking care of place is a crime prevention tool*. As revitalization of Downtown Kelowna progresses, the demands placed on the Downtown On-Call (security) and Clean Team programs will increase. In the next five years the DKA will invest in and enhance the On-Street Services programs. Man power will be increased and equipment purchased to increase efficiencies. These programs are vital in keeping Downtown safe and clean and are the programs most valued by the membership.

In 2012, the DKA purchased a Polaris Ranger utility vehicle, which is equipped with a power washer, graffiti removing supplies and a snow blade in the winter. In 2014, the DKA will purchase a second vehicle for the On-Street Services Manager. This will increase the security presence, allow the teams to cover more ground in a shorter period of time and will lower call response times.

Downtown On-Call

The Downtown On-Call team is trained to deal with front line issues related to personal safety, hospitality and help create a positive social environment in Downtown Kelowna. Starting in 2014, the Downtown On Call program will go from six days a week to seven and the hours will be extended until later in the evenings on Fridays and Saturdays. The DKA will continue to foster a positive working relationship with the RCMP, Bylaws and Social Services.

On-Call duties include:

- Street Patrol - clearing the streets and public spaces of sleepers and undesirables.
- On-site assistance, Security Alerts to membership and safe walk escorts.

Downtown Clean Team

In the past the Clean Team program was a seasonal program running mid-March to mid-November. In 2013, the DKA hired a full time employee and the program ran the full calendar year. With the addition of the utility vehicle, snow removal is now an additional service offered by the DKA. A seasonal employee was on from April to mid-November. Starting in 2014 there will be two full-time employees working staggered shifts to provide service seven days a week.

The DKA will replace and upgrade the sidewalk sweeper machine to include an attached power washer for those spots that the sweeper cannot access. With the Bernard Avenue revitalization came wider sidewalks and more furniture. Increased traffic has made keeping the sidewalks clean a challenge. The DKA currently has a contract with the City of Kelowna to sweep the parkades, Queensway transit loop and City Park Promenade. It is the goal of the DKA to renew this sweeping contract with the City and to have it extended to cover the additional services (the new Bernard and expanded Library parkade).

Clean Team duties include:

- Sidewalk sweeping.
- Snow removal.
- Graffiti removal.
- Maintaining the alleys free of garbage and debris.

Downtown Concierge

Thanks to a Federal funding grant, the Downtown Concierge acts as ambassadors for Downtown Kelowna from May to August. Equipped with a highly visible information booth in Kerry Park, it is the goal for Concierge to provide information about our members to the public. In 2012, two students interacted with 5267 visitors in Downtown. Prior to having a portable information booth that number was only 1880 visitors.

It is the goal of the DKA to secure approval from the City to have a permanent structure in Kerry Park for an information and storage kiosk.

Concierge duties include:

- Staffing the Information Booth in Kerry Park.
- Filling the City of Kelowna brochure kiosks.
- Executing the Patio Furniture Program in Kerry Park.
- Informing the Membership of DKA events and promotions and securing membership engagement.
- Updating the Membership Database.

Marketing

In 2011 and 2012, the DKA invested in new branding and creative. This work has a shelf life of three to five years, therefore only requiring minor adjustments over the next three years. This will keep the creative costs down and free up more funds for execution. The DKA has almost doubled the amount of marketing initiative since 2010. There has also been a shift from executing community events in Downtown to now executing promotions that engage the membership and build the membership awareness to the public.

	2012		2011
After 5	10	□	11
Events	2	□	3
Retail Promotion	5	□	0
Restaurant Promotion	2	□	1
Contests	2	□	1
Open House	2	□	0
Total	23		16

The Marketing & Events Plan is in place with the new branding and it is widely supported by the membership. The DKA will continue with the current plan for the next two years. By 2015, the branding, website, programs and events will begin to need refreshing. There is also a line item starting in 2016 for special projects in anticipation of City projects in the Downtown (similar to the Bernard Avenue marketing program). Events will need to grow and the quality enhanced as the Downtown grows and becomes more sophisticated. The five year increase is only 9% - \$15,500 which will allow the DKA to maintain the same level of marketing as the current Marketing & Events Plan with some refreshes.

The DKA will continue to make marketing and events a top priority through the following avenues:

- **Brand Building** - build awareness of Downtown Kelowna, change perceptions of the brand, elevate the image, increase visitation.
- **Promotional Material**
 - Essential Guide - produce and distribute
 - Cultural Guide - produce and distribute
 - Signage and banners
- **Advertising** - Radio, TV, Print and Transit
- **Promotions**
 - Small Shop Saturday and free parking - March, June, October
 - Downtown Kelowna/Okanagan Wine Festival promotions - spring and fall
 - Taste of Downtown - September
 - Bernard Avenue - "It's Happening"
 - Spot Santa and free parking - December
- **Events**
 - Downtown After 5 (ten per year)
 - Block Party
 - Light Up
- **Communications**
 - Website
 - Eye on Downtown
 - Social Media
- **Media Relations**
 - Press Releases
 - Responding to media requests & interviews.

Funding

Levy

The DKA is proposing a onetime increase of 15% for the first year to expand the On-Street Services programs. Subsequent years of the mandate will see a 3% increase over the next two years and 3.5% increase in the last two years to maintain the new initiatives and existing programs to a maximum levy budget of \$887,407 in 2018.

Levy Contribution by Downtown Property Owner:

2014	2015	2016	2017	2018
\$780,850	\$804,276	\$828,404	\$857,398	\$887,407

Other Annual Funding

The On Call and Clean Team revenues have the potential to increase. Currently, the DKA receives \$45,000 from the City for the On Call program and \$19,000 for the Clean Team program. The DKA also earns approximately \$19,000 for performing sidewalk sweeping for the City. These rates were set with the last renewal and were fixed for the past five years. Since these programs are expanding, including the acquisition of more equipment, it is hoped that the City will increase this funding and/or contract work in the next five years.

Downtown On Call funding from the City of Kelowna	\$45,000
Clean Team funding from the City of Kelowna	\$19,000
Sidewalk sweeping contract with the City of Kelowna	\$19,000
Downtown Concierge Federal funding	\$11,250
Total	\$94,250

Estimated Levy Contribution Change Impact Based on a 2% Increase on Property Value

	2013 Value	2013 Levy	2014 Levy	2015 Levy	2016 Levy	2017 Levy	2018 Levy	Average Increase Per Year
Small Building	\$667,000	\$919.96	\$1,057.95	\$1,089.73	\$1,122.38	\$1,161.67	\$1,202.32	\$56.47
Medium Building	\$1,135,000	\$1,565.45	\$1,800.27	\$1,854.33	\$1,909.89	\$1,976.75	\$2,045.92	\$69.09
Large Building 1	\$2,235,000	\$3,082.62	\$3,545.02	\$3,651.48	\$3,760.89	\$3,892.55	\$4,028.75	\$189.22
Large Building 2	\$2,977,000	\$4,106.03	\$4,721.93	\$4,863.74	\$5,009.47	\$5,184.84	\$5,366.26	\$252.05

2013 Mill Rate: 1.3647 per \$1000 of assessed value on Class 5 and 6 properties.

How Does the DKA Spend?

Program Expenditures in 2012

Wages & Benefits	\$249,606	33.4%
On Call	\$181,442	24.3%
General Administration	\$105,934	14.2%
Marketing & Promotions	\$80,074	10.7%
Events	\$57,936	7.8%
Clean Team	\$46,332	6.2%
Concierge	\$22,933	3.1%
Business Recruitment	\$2,674	0.3%
Total	\$746,931	100%

Current Staff and Board of Directors

DKA Staff

Peggy Athans, Executive Director	peggy@downtownkelowna.com
Ron Beahun, Manager On-Street Services	ron@downtownkelowna.com
Ryan Watters, Communications Manager	ryan@downtownkelowna.com
Layla Miller, Executive Assistant	layla@downtownkelowna.com
Brittany Hansum, Events Manager	brittany@downtownkelowna.com

DKA Board of Directors

President - Dallas Gray, Newcap Radio	dgray@newcap.ca
Vice President - Dustin Sargent, Davara Enterprises	dustin@davara.ca
Treasurer - Rob Collins, Grant Thornton	rob.collins@ca.gt.com
Secretary - Dan Allen, Doc Willoughby's	danallen99@gmail.com
Past President - Andrew Brunton, Pushor Mitchell	brunton@pushormitchell.com
Ex Officio - Luke Stack, Councillor	lstack@kelowna.ca
Perry Freeman, Colliers International	perry.freeman@colliers.com
Brent Lobson, Imperial Parking	blobson@impark.com
Trevor Neill, Mosaic Books	trevor@bookmanager.com
Jan Johnson, Tigerlily Fashions & Alleycat	tigerlilyfashion@shaw.ca
David Knapp, CIBC	david.knapp@cibc.com
Renee Wasylyk, Troika Developments renee@troikadevelopments.com	
Brice MacDermott, MacDermott's & MacD's	bricemacdermott@gmail.com
Luigi Coccaro, La Bussola Restaurant	labussola@telus.net
Angie Bricker, Georgie Girl Vintage	angiebricker@shaw.ca

Report to Council



Date: September 25, 2013
Rim No. 1110-61-016
To: City Manager
From: D. Edstrom, Director, Real Estate
Subject: Road Closure - Adjacent to 1595 Spall Road - Sept 30
Report Prepared by: J. Saufferer - Property Officer

Recommendation:

THAT Council receives for information, the Report from the Director, Real Estate dated September 25, 2013, recommending that Council adopt the proposed road closure of a portion of road adjacent to 1595 Spall Road (Schedule 'A');

AND THAT Bylaw No. 10855, being proposed road closure of a portion of road adjacent to 1595 Spall Road, be given reading consideration.

Purpose:

The excess closed road is to be held by the City of Kelowna for future trade, sale or other form of consolidation with the adjacent properties at 1595 and/or 1535 Spall Road.

Background:

City staff have confirmed that the road closure area is not required for any future proposed intersections or the future Central Okanagan Bypass.

Following the proposed road closure, utility assets and environmentally sensitive areas located within the road closure area will be protected via Statutory Right-of-Ways.

Legal/Statutory Authority:

Section 26 and 40, Community Charter

Considerations not applicable to this report:

Internal Circulation:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

Personnel Implications:

External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

The Real Estate & Property Services department requests Council's support of this road closure.

Submitted by: D. Edstrom, Director, Real Estate

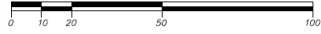
Approved for inclusion: D Gilchrist, Divisional Director, Community Planning & Real Estate

Schedule 'A'

REFERENCE PLAN TO ACCOMPANY BYLAW NO. 10855 (CITY OF KELOWNA) TO CLOSE ROAD DEDICATED ON PLANS 415 AND KAP64472, DISTRICT LOT 140, OSOYOOS DIVISION YALE DISTRICT

PLAN EPP31819

PURSUANT TO SECTION 120 OF THE LAND TITLE ACT AND SECTION 40 OF THE COMMUNITY CHARTER
BCGS 82E.083



The intended plot size of this plan is 432mm in width by 560mm in height (C size) when plotted at a scale of 1:1000
(All distances are in metres)

LEGEND

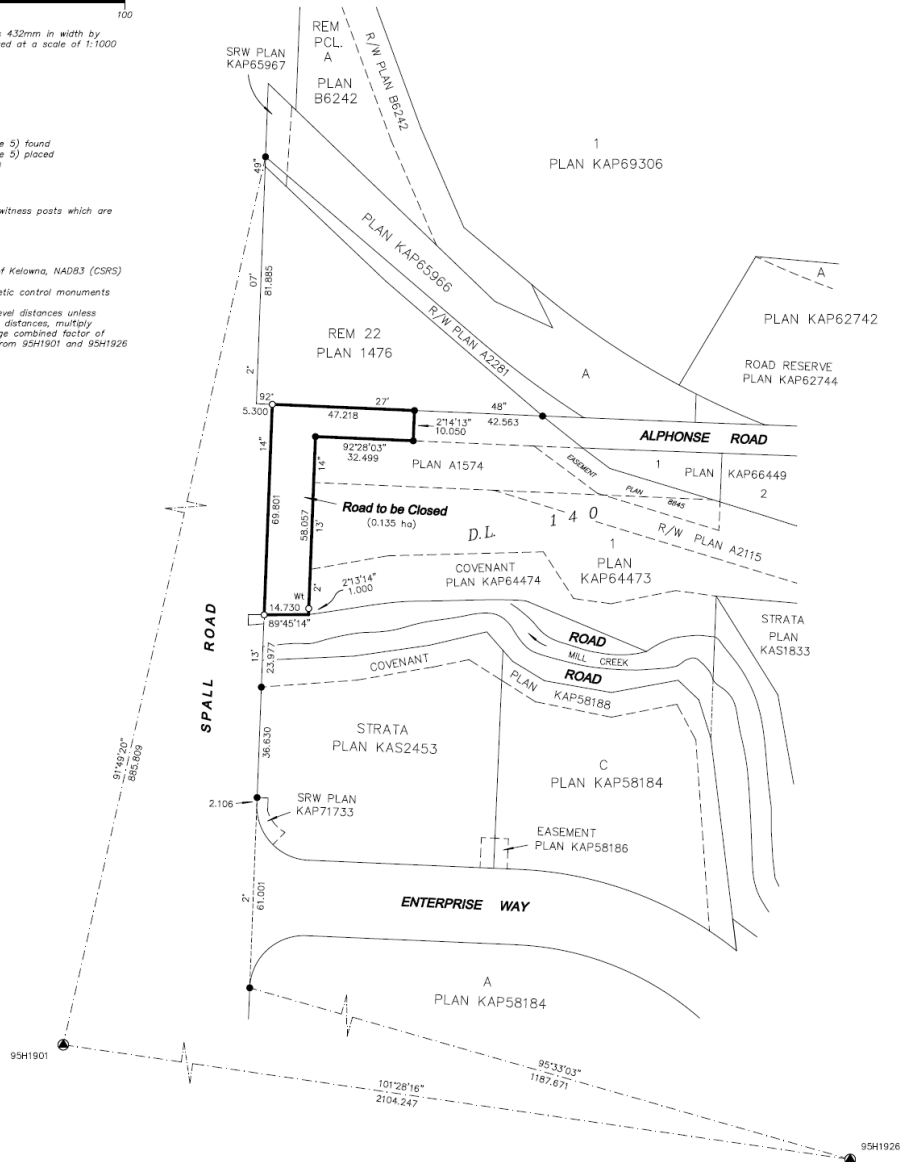
- Denotes Standard Iron post (Type 5) found
- Denotes Standard Iron post (Type 5) placed
- ⊙ Denotes Control Monument found
- WT Denotes witness

Note: This plan shows one or more witness posts which are not set on the true corner(s).

Integrated Survey Area No. 4, City of Kelowna, NAD83 (CSRS)

Grid bearings are derived from geodetic control monuments

This plan shows horizontal ground-level distances unless otherwise specified. To compute grid distances, multiply ground-level distances by the average combined factor of 0.9999264 which has been derived from 95H1901 and 95H1926



This plan lies within the Regional District of Central Okanagan.

This plan lies within the jurisdiction of the Approving Officer for the City of Kelowna

The field survey represented by this plan was completed on the 10th day of June, 2013.
Neil Raymond Denby, BCLS

RUNNALLS DENBY
british columbia land surveyors
259A Lawrence Avenue Phone: (250)763-7322
Kelowna, B.C. Fax: (250)763-4413
V1Y 6L2 Email: neil@runnallsdenby.com
DWG. No.: 13781 CLOSED ROAD FILE: 13781

CITY OF KELOWNA

BYLAW NO. 10855

Road Closure and Removal of Highway Dedication Bylaw (Portion of Spall Road)

A bylaw pursuant to Section 40 of the Community Charter to authorize the City to permanently close and remove the highway dedication of a portion of highway on Spall Road

NOW THEREFORE, the Municipal Council of the City of Kelowna, in open meeting assembled, hereby enacts as follows:

1. That portion of highway attached as Schedule "A" comprising 0.135 ha shown in bold black as Road to be Closed on the Reference Plan prepared by Neil Raymond Denby, B.C.L.S., is hereby stopped up and closed to traffic and the highway dedication removed.
2. The Mayor and City Clerk of the City of Kelowna are hereby authorized to execute such conveyances, titles, survey plans, forms and other documents on behalf of the said City as may be necessary for the purposes aforesaid.

Read a first, second and third time by the Municipal Council this

Approved Pursuant to Section 41(3) of the Community Charter this

(Approving Officer-Ministry of Transportation)

Adopted by the Municipal Council of the City of Kelowna this

Mayor

City Clerk

Schedule "A"

**REFERENCE PLAN TO ACCOMPANY BYLAW NO. 10855
(CITY OF KELOWNA) TO CLOSE ROAD DEDICATED
ON PLANS 415 AND KAP64472, DISTRICT LOT 140,
OSOYOOS DIVISION YALE DISTRICT**

PLAN EPP31819

PURSUANT TO SECTION 120 OF THE LAND TITLE ACT AND SECTION 40 OF THE COMMUNITY CHARTER
BCGS 82E.083

**LEGEND**

- Denotes Standard Iron post (Type 5) found
- Denotes Standard Iron post (Type 2) placed
- ⊙ Denotes Control Monument found
- WT Denotes witness

Note: This plan shows one or more witness posts which are not set on the true corner(s).

Integrated Survey Area No. 4, City of Kelowna, NAD83 (CGCS)

Grid bearings are derived from geodetic control monuments

This plan shows horizontal ground-level distances unless otherwise specified. To compute grid distances, multiply ground-level distances by the average combined factor of 0.9999954 which has been derived from 55H1901 and 55H1926

