

# Report to Council



**Date:** February 25, 2019  
**File:** 1840-10  
**To:** City Manager  
**From:** Divisional Director, Infrastructure  
**Subject:** Budget Amendment for the Rehabilitation of City Park Water Park  
Report Prepared by Scott Bushell, Design Technician

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## **Recommendation:**

THAT Council receives for information, the report from the Divisional Director, Infrastructure dated February 25, 2019, with respect to the Budget Amendment for the Rehabilitation of City Park Water Park;

AND THAT the 2019 Financial Plan be amended to include the initial use of up to \$410,000 funded from the Insurance Deductible reserve for the restoration of the City Park Water Park;

AND THAT the 2019 Financial Plan be amended to include receipt from the City's Insurance Provider estimated at \$410,000 for the insurance claim proceeds to the Insurance Deductible reserve.

## **Purpose:**

To amend the 2019 Financial Plan to support the restoration of City Park Water Park to an operational condition for the 2019 season.

## **Background:**

In 2017, the widespread flooding in the Okanagan region caused high groundwater and record high Okanagan Lake levels, resulting in the partial flooding of City Park, including the popular water park facility. The water park was closed during the 2017 season due to the high water and damage to underground equipment. The water park closure was extended through the 2018 season as the insurance claim was pursued for repair cost recovery.

The underground equipment room containing the pumps and the treatment system for the park was completely flooded and remained under water for a prolonged period of time, rendering the equipment damaged beyond repair. The flooding brought silt, sand and debris into the water lines to the spray park features, which trapped water during the winter of 2018 and compromised approximately 40% of the lines due to freezing.

The City's insurance representatives retained a Building Consultant and Appraiser, to comment on the extent of damage. The valuation of the claim has been estimated at \$410,000 and is pending submission of supplemental cost estimates from Building Consultant to restore the park to the pre-flood conditions with like materials. Approval of the insurance claim is expected soon.

The need to repair the water park has provided the City with the opportunity to reconsider the configuration and operation of the facility to reduce the potential for future flood damage, optimize net operational costs and reduce health risks. The project team collectively reviewed three (3) options to rehabilitate the facility:

1. Reestablish the existing circulation and treatment system below ground.
2. Install a new standalone circulation and treatment system above ground.
3. Flow-Through System – direct City water connection flowing through to City sanitary system.

The option selected is the Flow-Through System. The direct potable City water source to the features is safe, simple and does not require on-site treatment (filtration and chlorination). The Flow-Through system is the preferred option of Interior Health and will limit the risk of the City as it pertains to water quality and on-site treatment procedures. Ongoing operational costs will include both sewerage and water utility charges, but a net saving could be realized through reduced staffing and on-site treatment cost. Water conservation will be achieved through low flow nozzles, activation buttons and time of day sequencing. Lastly, a conversion of the park to a Flow-Through System will reduce flood risk by eliminating process equipment and relocating remaining critical infrastructure above grade. This rehabilitation option can be completed in time for regular operation this 2019 summer season.

**Financial/Budgetary Considerations:**

The costs associated with the restoration of City Park Water Park are not included in the City's current financial plan. The 2019 Financial Plan will require the addition of up to \$410,000 funded from the Insurance Deductible reserve for the restruction of the City Park Water Park and the subsequent reimbursement estimated at \$410,000 for the insurance claim proceeds to the Insurance Deductible reserve.

**Internal Circulation:**

Divisional Director, Infrastructure Delivery – A.Newcombe  
Divisional Director, Community Safety – L.Kayfish  
Risk Manager – J.Hemmett  
Budget Supervisor – M.Antunes  
Financial Planning Manager – G.King  
Infrastructure Delivery Manager – B.Beach  
Senior Project Manager – A.Gibbs

**Considerations not applicable to this report:**

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

Alternate Recommendation:

Submitted by:

A. Newcombe, Divisional Director, Infrastructure

**Approved for inclusion:**



D. Gilchrist, City Manager

cc: City Clerk  
Deputy City Manager  
Divisional Director, Community Planning and Strategic Investments  
Divisional Director, Community Safety  
Divisional Director, Financial Services  
Divisional Director, Infrastructure