

Report to Council



Date: August 28, 2023
To: Council
From: City Manager
Subject: Bertram Street Multiuse Overpass – Project Update
Department: Infrastructure Delivery

Recommendation:

THAT Council receives for information the report from Infrastructure Delivery dated August 28, 2023, regarding the Bertram Street Multiuse Overpass project;

AND THAT Council approves the addition of \$500,000 of funding to the Bertram Street Multiuse Overpass project;

AND THAT Council approves the reallocation of \$500,000 of existing funding from the following transportation projects:

- \$59,880 from Road Safety Improvements Program - Clement / Spall Concept Design
- \$40,000 from the Neighbourhood Traffic Calming Program - WestRidge / Parkview
- \$30,030 from Clement 1 DCC (St. Paul – Graham) – Ellis / Clement
- \$100,000 from Road Safety Improvements Program - KLO / Richter NB Smart Right
- \$68,400 from Okanagan Rail Trail – Connection to Waterfront Park Pathway
- \$79,400 from Houghton 1 DCC (Nickel – Rails with Trails), ATC
- \$122,290 from Houghton 2 DCC (Hollywood – Mugford), ATC

AND THAT Council support staff to allocate \$7,209,300 from the Growing Communities Fund, addressed through a subsequent report;

AND THAT Council support staff to manage tasks to amend the 2023 Financial Plan for these changes.

Purpose:

To provide Council with an update on the Bertram Street Multiuse Overpass.

Background:

The population of British Columbia, particularly in Kelowna, has experienced consistent growth over the past decade, and this trend is expected to continue thru the next 10 years. Anticipating this growth, Council endorsed the redevelopment of the former Kelowna Secondary School site (KSS) in 2009, which is now known as Central Green.

As part of the rezoning of the Central Green site in 2011, the City of Kelowna entered into a legal agreement with the Ministry of Transportation and Infrastructure (MoTI) defining transportation improvements required for the site's redevelopment, rezoning, and occupancy of units. A core transportation improvement specified in the agreement was the construction of a pedestrian overpass across Highway 97 (Harvey Avenue) between the Central Green site and Downtown Kelowna.

With the completion of buildings fronting Rowcliffe Park and Richter Street, the Central Green site has now reached the density thresholds to trigger the overpass requirement. Construction of the final two buildings fronting Highway 97 (Harvey Avenue) is underway and the development's substantial completion is scheduled for the end of 2024.

As per the 2040 Official Community Plan (OCP), continued growth is expected in neighbourhoods surrounding the Central Green Site including 4,500 units within the Downtown Urban Centre and 3,800 units in the Core Central area. These development projections highlight the current and future demand for an accessible, safe and comfortable connection between Downtown and neighbourhoods to the south.

Project Overview:

The Bertram Street Multiuse Overpass project aims to provide a safe, universally accessible, functional, and aesthetically pleasing single-span structure that will link downtown Kelowna to the Central Green site across Highway 97 along the Bertram Street alignment. The overpass will facilitate pedestrian and multi-modal travel, including biking, scooters, strollers, and more. The overpass will serve as an important link within the larger active transportation network, connecting the future Bertram and Lawrence/Leon Active Transportation Corridors (ATCs) within Downtown with the existing Sutherland, Abbott and Ethel ATCs to the south and east; it will also link RapidBus transit stops on Harvey Avenue. By providing an all-ages, all-abilities crossing, the overpass will improve access to housing, parks, employment, public transit, businesses, services, and amenities for residents living and working on both sides of Highway 97, thereby reducing dependency on vehicles.

Project Objectives:

The Bertram Street Multiuse Overpass project aligns with the City's objectives of increasing local housing supply through investments in community infrastructure and amenities. By connecting growing neighborhoods to downtown Kelowna, the overpass promotes active transportation, improves pedestrian and cyclist safety, and contributes to the city's climate goals of reducing greenhouse gas emissions through decreased vehicle usage.

Providing a bridge for users to cross Highway 97 (Harvey Avenue) addresses several safety risks. Crossing the Harvey Avenue corridor exposes vulnerable users to a high volume of traffic travelling at relatively high speeds. By physically separating these two groups of travelers the City is decreasing the risks of collision and serious injury for these users. Improving safety for the travelling public is a core objective of the City.

Growth Sector Impact:

The project is situated along the south edge of Downtown with growth planned in the surrounding neighbourhoods south and north of Highway 97 and articulated in the 2040 OCP, including 3,800 units for the Core Central area and 4,500 units Downtown. These targets demonstrate the current and

projected demand for an active transportation link between southern neighbourhoods and the downtown. The overpass will address the current demand and provide opportunities for future links to existing Active Transportation Corridors, enabling pedestrian and cycling connections from the downtown to other key areas, such as the Capri Landmark Urban Centre and the UBCO Downtown Campus (currently under construction).

Justification:

Project tendering indicates that construction cost inflation has caused the previously budgeted funding to fall short of the amount required to advance to construction. To manage cost escalation staff engaged expertise to value engineer, de-risk the design and reduce costs through a collaborative delivery model and early contractor engagement.

A comparison of the Bertram Overpass project with other similar projects in different regions in western and eastern Canada indicates that the proposed scope and budget is in line with prevailing construction costs for pedestrian bridges, ensuring the project's feasibility and quality.

Engagement:

Focused engagement with local area interested parties and businesses, particularly those directly affected, was completed through the design process.

Financial Considerations:

Utilizing the prevailing contractor pricing as of now, the total budget to deliver the overpass is projected at \$12.1M. Pricing reflects both the impact of inflation on bridge construction costs over the last several years as well as offsetting value engineering efforts through the design process to reduce costs.

As part of due diligence efforts the project team conducted an independent third-party cost evaluation of pricing to ensure it aligned with industry standards and represented good value for Kelowna taxpayers. The price variance was less than 5%; within industry norms.

Current project funding is \$4.4m, including \$1.8m from the Land Sales Reserve and \$2.6m from the Canada Communities Building Fund (Gas Tax).

To address the funding shortfall it is proposed to reallocate \$500k of surpluses from within the transportation capital cost centre and allocate \$7.2m from the provincial Growing Communities Fund. These allocations avoid any net impact on taxation. Reallocations from within the transportation cost centre are described below while allocation from the Growing Communities Fund will be addressed in a separate report to Council. Surplus DCC funds will be returned to the appropriate reserves with the proposed reallocations.

Reallocation of the following funds from within the transportation capital cost center is proposed, including;

- Clement / Spall Concept Design - \$59,880 previously allocated for a standalone concept design at the intersection of Clement Ave and Spall Rd. This design will be addressed as part of the larger Clement / Highway 33 Extension project.

- Traffic Calming Program - \$40,000 from the WestRidge / Parkview Traffic Calming Project which did not receive neighbourhood support.
- Clement 1 DCC (St. Paul – Graham) - \$30,030 of projected surplus from intersection improvements at Clement Ave and Ellis St.
- KLO / Richter NB Smart Right Project - \$100,000 based on potential grant funding from ICBC being available to the project. If the grant is not successful, the project will be rescheduled in a future year.
- Okanagan Rail Trail – Connection to Waterfront - \$68,400 of surplus following construction completion from improvements on the Okanagan Rail Trail between Ellis St and Sunset Dr.
- Houghton 1 DCC (Nickel – Rails with Trails), ATC - \$79,400 of surplus following construction completion. This project received a BC Active Transportation Grant.
- Houghton 2 DCC (Hollywood – Mugford), ATC - \$122,290 of projected construction surplus. This project received a BC Active Transportation Grant.

The ongoing operational requirements for snow and ice control, annual inspections and bridge maintenance have been thoroughly evaluated and factored into the operational budgets subsequent to the completion of construction.

Current Funding: \$4,390,700

Land Sales Reserve (R600):	\$1,812,400
Canada Communities Building Fund (Gas Tax Funds) (R837):	\$2,578,300

Supplemental Funding;

Transportation Reallocations:	\$500,000
Provincial Growing Communities Fund:	\$7,209,300

With additional funding in place the project would move forward to construction in the fall of 2023, with completion projected by the end of 2024. Advancing to construction at this time allows the Central Green site and overpass to be completed concurrently and fulfills MoTI's regulatory requirements. Staff have structured the project to secure pricing, reduce the risk from future inflation and reduce delay risks associated with suppliers and long lead time components.

Next steps would include initiation of the Notice of Intent process for awarding construction services, and the subsequent purchasing and construction phases of project delivery. Construction on the project would commence in the fall of 2023 and be completed by Q4 2024.

Conclusion:

The Bertram Pedestrian Overpass project will improve accessibility, promote active transportation, and support the city's growth and climate initiatives while fulfilling Ministry of Transportation and Infrastructure development requirements. With additional funding, the project will advance to construction in the fall of 2023, bringing the Bertram Pedestrian Overpass closer to its planned completion in Q4 2024.

Internal Circulation:

Communications
Finance

Considerations applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy: TMP
Financial/Budgetary Considerations: 2023/ 2024 Capital Plan
External Agency/Public Comments:
Communications Comments:

Considerations not applicable to this report:

Submitted by: S. Bushell, Senior Project Manager

Approved for inclusion: M. Logan, Infrastructure General Manager

cc: Divisional Director, Corporate Strategic Services
Division Director, Financial Services

Reference Documents:

Council Memo: 0920-20-009