



COUNCIL REPORT

To: Mayor and Council

Date: November 12, 2024

From: Ron Bowles, Chief Administration Officer

File No: Operations Centre

Subject: **Operations Centre Project Update – November 2024**

Report Prepared by: Erin Goodwin, Facilities & Recreation Manager, Chris Anderson, Public Works Manager, Mark Roberts, Parks Manager

RECOMMENDATION

THAT Council approve the budget request of \$685,000 to complete the operational essential works associated with the new Operations Centre, as identified in the report titled “Operations Centre Project Update – November 2024”, dated November 12, 2024;

AND THAT the \$685,000 be funded from the Growing Communities Fund.

STRATEGIC AREA(S) OF FOCUS

Invest in Infrastructure – We will invest in building, improving and maintaining infrastructure to meet the needs of, and to provide a high quality of life for, current and future generations.

Foster Safety and Well-Being – We will pursue through direct action, advocacy, and collaboration with local and regional service providers, investments in community health, needs-based housing, emergency preparedness, policing, and other services that foster safety and well-being in West Kelowna.

BACKGROUND

The construction of the City of West Kelowna’s first purpose-built Operations Centre for our Public Works, Parks, and Utilities teams is a Strategic Priority for Council. The site will serve as the work base for over 80 staff who are responsible for maintaining and operating critical City infrastructure, 24 hours per day, 7 days per week. Currently, these work groups are spread out across various locations throughout the City which is operationally inefficient.

This project update is for the period ending October 15, 2024.

PROJECT STATUS UPDATE

Construction remains on schedule with substantial completion anticipated by end of December, 2024. Staff anticipate to start moving into the Operations Centre during the first quarter of 2025.

There are three main structures associated with this phase of the Operations Centre: the Administration Building, the Workshops, and the Mechanics Shop. All three buildings are fully erected with the exterior finishes completed. Interior walls are framed, drywalled, and being painted. Rough in plumbing and electrical is wrapping up and the City is entering into the finishing phase of these buildings. Listed below are items scheduled to be completed over the next couple months:

- Painting, flooring, signage, appliances, fixtures, security, ceilings, doors, hardware, millwork.

Civil works for these three buildings is underway. Water, storm, and sewer services for the upper yard is complete. Electrical and gas installations are in progress. Site grading, paving, sidewalks, curbs, lighting, communication, and lower yard servicing still to be completed.

A Council tour of the new Operations Centre was completed on October 8, 2024. This tour gave Council an opportunity to see the progress in construction, since last updated on August 27, 2024. During the site meeting staff shared not only many of the project benefits, but also some of the challenges the City is still working through.

The purpose of this report is to share these challenges with Council and propose a funding strategy to address them.

In preparation to moving into the new Operations Centre, staff have identified some unfunded operational essential items that staff is seeking Council approval to complete. Completing these items will ensure the City has a functional yard to provide operational services to the community. Additional future improvements to help operational efficiencies and functionality have also been identified. For the purpose of this report, staff is only seeking approval to complete the operational essential items. All other proposed improvements will be brought forward during future budget deliberations for Council’s consideration to include into the Ten Year Capital Plan.

Operational Essential Items	
Item	Cost
Moving Expenses / Fixtures Furniture and Equipment	\$240,000
Lower Yard Entrance Safety and Security	\$140,000
Staff Locker Room	\$110,000
Operational Site Servicing and Equipment	\$195,000
Total Cost	\$685,000

Moving Expenses / Fixed Furniture and Equipment \$240,000

Not included in the construction of the Operations Centre are the costs associated with moving or the costs associated with fixed furniture and equipment. Where possible, existing furniture and equipment will be relocated to the new Operations Centre. However, additional items will still need to be purchased to accommodate the new spaces inside the buildings. These items include, but are not limited to the following:

- Server room and IT equipment
- Meeting room tables and chairs
- Lunch room tables and chairs
- Lunch room appliances
- Cubicle furniture
- Office and Workstation Desks
- Office and Workstation Chairs
- Photocopiers
- Workshop Improvements (work benches, tool storage, other)
- Mechanic Shop Improvements (work benches, tool storage, pneumatic lines, other)

Lower Yard Entrance Safety and Security Improvements \$140,000

A safety concern has been identified with the entrance area leading into the lower yard, off of Stevens Road. To correct this, the entrance area will need to be reconfigured which may include additional earthworks, paving, barriers, and fencing.

This entrance area is the only access to the lower yard where City vehicles, equipment, and materials will be stored. Currently, it is shared with a neighbouring gravel pit and sees a large volume of traffic with various sizes of equipment ranging from half ton vehicles to larger dump truck and trailer units. With a steep hill, poor site lines, and a narrow roadway, the risk of collision between vehicles is high. It is recommended that the entrance be widened, and a concrete barrier be installed to safely separate the vehicle traffic entering and exiting the yard.

To secure the site additional fencing and an access gate will need to be installed in this area.

Staff Locker Room \$110,000

During the Covid 19 pandemic, a trailer was delivered to the Operations Centre location to assist with staff space needs and social distancing. This trailer is fully serviced with water, sewer, and electricity. During design meetings of the new Operations Centre, a significant cost savings was identified if the City considered using the trailer as the locker room for staff. The cost savings are tied to the necessary square footage not being included in the design of the building itself (an estimated 3,000 sq/ft at a cost of ~\$580/sq

ft is approximately \$1.74 million dollars that was “saved”). To convert the trailer into a locker room, additional showers, washrooms, lockers, and benches need to be installed. After completing all such improvements, the trailer does not have enough space to accommodate the required staff space. As a result, staff is proposing to install an additional trailer to accommodate the required locker room, showers and bench space needed for staff.

Operational Site Servicing and Equipment \$195,000

To ensure the Operations Centre is fully functional, additional funding is required to complete the following:

- **Civil Works:** The City’s current budget cannot support the costs to complete some of the Civil works needed for the project. Costs have come in higher than anticipated.
- **Communication Network:** An antenna mast and other items need installing to connect the buildings to the City’s network. This includes internet, Wi-Fi, and installing other equipment related to service providers such as Telus, Rogers, and Shaw.
- **Back Up Generator:** To ensure the server room and SCADA equipment inside the Operations Centre can function during a power outage, a generator is being installed. The SCADA equipment inside the Operations Centre is an essential tool staff use to monitor water and sewer distribution within the City. Costs have come in higher than anticipated.

FINANCIAL IMPLICATIONS

Council Approved Budget (February 13, 2024): **\$9,805,000**

Council Approved Funding Strategy	
Funding Source	Value
Sale of 2570 Bartley Road	\$3,700,000
Sale of Webber Road	\$250,000
Gas Tax Funds	\$500,000
Gravel sales	\$350,000
Operations yard reserve	\$192,000
Operating surplus	\$83,000
Equipment Reserve	\$230,000
Roads reserve	\$600,000
Growing Communities Fund	\$3,900,000
Total Approved Budget	\$9,805,000

As noted earlier in the report, the operational essential items to be funded are \$685,000. There are two possible funding sources available. They are the Growing Communities Fund and Operating Surplus.

This project qualifies under the parameters of the Growing Communities Fund, and already contains a previously approved allocation towards this project. Accordingly, this is the recommended funding source.

Should Council wish not to use the Growing Communities Fund, the following **alternate** resolution would be required:

THAT Council approve the budget request of \$685,000 to complete the operational essential works associated with the new Operations Centre, as identified in the report titled “Operations Centre Project Update – November 2024, dated November 12, 2024;

AND THAT the \$685,000 be funded from Operating Surplus.

NEXT STEPS/NEXT PHASE

As noted previously in this report, all other proposed improvements will be brought forward during future budget deliberations for Council’s consideration to include into the Ten-Year Capital Plan. These items are identified as the “second phase” of the operations yard project and have been identified as follows:

Phase 2 – Operations Yard
Exterior Yard Lighting
Mechanical Vehicle Exhaust System
Internal Road Geotech Repairs
Security Cameras
Storage Sheds
Storage Bins
Decanting Station
Staff Parking Lot Paving
Workshop Overhead Door Motors

COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
Aug 27, 2024	THAT the report titled “Operations Centre Project Update” from the Director of Engineering & Operations, dated August 27, 2024 be received for information.	C224/24
Feb 13, 2024	THAT Council approve the Operations Yard Project Budget of \$9,805,000 and related Funding Strategy as outlined in Attachment 7 in the report titled “Funding Strategies – Major Projects – Follow Up” from the Deputy CAO, dated February 13, 2024	C063/24

REVIEWED BY

Warren Everton, Director of Finance/CFO

Trevor Seibel, Deputy CAO/Deputy Corporate Officer

APPROVED FOR THE AGENDA BY

Ron Bowles, Chief Administrative Officer

PowerPoint: Yes No

Attachments:

Attachment 1: Site Photos