



## INFORMATION ONLY COUNCIL REPORT

To: Mayor and Council

Date: May 13, 2025

From: Ron Bowles, Chief Administrative Officer

File No: 5330-20-71

Subject: **Operations Centre – Quarterly Project Status Update**

Report Prepared by: Jordan Finkel, Senior Design & Inspection Technologist

Report Reviewed by: Rob Hillis, Acting Director of Engineering & Operations

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### RECOMMENDATION:

**THAT** the report titled "Operations Centre - Quarterly Project Status Update" from the Acting Director of Engineering & Operations, dated May 13, 2025, be received for information.

### 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.

## PROJECT STATUS UPDATE

This project update is for the period ending April 30, 2025.

Several key construction milestones were met during this reporting period, and the overall status of the project is progressing very close to completion.

Energization of the site was successfully achieved in early April. The building mechanical and electrical systems are currently going through the processes of being commissioned. Finishing and deficiency correction work is also being completed. The underground utility work is now fully complete and the main parking lots are paved. Substantial completion is expected to be achieved during early May.

The City is in the process of creating and implementing a moving strategy following completion of the construction phase. Occupancy of the buildings is currently anticipated for late May.

## RISK ASSESSMENT

Project risks are monitored through an ongoing Risk Log prepared in collaboration with the City and the project team. Many of the identified risks have now been closed out as the project is nearing completion.

The current project budget is expected to be sufficient to reach the building occupancy and operational stage. There are some financial risks that the project team continues to manage. Those risks are outlined below. The financial impact of these risks will be brought forward to Council once determined.

Risk	Description	Assessment
Prime Contractor Extension	Delays to prime contractor's schedule due to unforeseen issues with energizing the site.	Project team is negotiating the final costs.
Cost Sharing Agreement	Cost sharing agreement with neighbouring industrial property for shared driveway access, fencing and security infrastructure.	Project team is negotiating the final costs.

## FINANCIAL IMPLICATIONS

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

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
Additional Approved Budget from GCF (Nov 12, 2024 Council Meeting)	\$685,000
<b>Total Approved Budget</b>	<b>\$10,490,000</b>

## COUNCIL REPORT / RESOLUTION HISTORY

Date	Report Topic / Resolution	Resolution No.
Jan 28, 2025	<b>THAT</b> the report titled “Operations Centre Project Update” from the Senior Design & Inspection Technologist, dated January 28, 2025 be received for information.	C023/25
Aug 27, 2024	<b>THAT</b> 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	<b>THAT</b> 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	C063/2
Nov 12, 2024	<b>THAT</b> 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; <b>AND THAT</b> the \$685,000 be funded from the Growing Communities Fund	C280/24

Powerpoint: Yes ☐ No ☒

Attachments:  
Attachment 1 – Site Photos