

COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2013 February 13

FROM: DIRECTOR PLANNING AND BUILDING **FILE:** PC 83000 03
Reference: BC Hydro Beautification Project

**SUBJECT: APPLICATION FOR FUNDING ASSISTANCE
BC HYDRO BEAUTIFICATION PROGRAM
DEER LAKE PARK BEAUTIFICATION PROJECT**

PURPOSE: To update the status of Burnaby's application to BC Hydro for underground wiring funding assistance and to seek Council authorization to pursue the priority project on Deer Lake Avenue for 2012-2013.

RECOMMENDATIONS:

1. **THAT** Council bring down a Capital Reserves Expenditure Bylaw in the amount of \$554,800.16 (including 12% HST) to fund the costs to remove overhead lines on Deer Lake Avenue.
2. **THAT** Council approve acceptance of the BC Hydro and TI Corporation cost share contributions of \$205,000 and \$481,200.16, respectively, to reduce the net City cost contribution for this project to \$73,600.
3. **THAT** Council authorize the granting of the proposed statutory rights-of-way in favour of BC Hydro and Telus, as outlined in this report.
4. **THAT** a copy of this report be sent to the Parks, Recreation and Culture Commission for information purposes.

REPORT**1.0 BACKGROUND**

At its meeting on 2011 November 28, Council authorized staff to apply to the 2012-2013 BC Hydro Beautification Program for one-third (1/3) cost-share funding assistance for the removal of overhead power lines for the City's selected priority project on Deer Lake Avenue, adjacent to Deer Lake Park, extending from Canada Way to Century Park Way. In addition, seven poles and associated overhead lines within Deer Lake Park, which provides service to a number of City owned properties, as well as one privately owned property designated for future City acquisition for park purposes, are proposed for removal and replacement with underground service. The extent of the existing overhead lines proposed for removal is indicated on Sketch #1 attached.

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BC Hydro has provided final designs for this project, as well as the following final cost estimate for the BC Hydro component of the undergrounding project:

BC Hydro Component
Deer Lake Avenue Beautification Project \$686,200.16 (including HST)

In the past, BC Hydro required that funding for the City's two-thirds (2/3) share of project costs be confirmed prior to its advancement through BC Hydro's approval and design processes and consideration under the terms of the Beautification Program. BC Hydro staff has indicated that their process has now changed and, as such, BC Hydro has prepared final design drawings and estimates upon which to invoice the City for the project in advance of construction. Upon receipt of payment, BC Hydro would proceed to construct the project, with work expected to begin by 2013 March 31.

**2.0 PROPOSED PRIORITY PROJECT – DEER LAKE AVENUE
BEAUTIFICATION PROJECT**

The proposed project is on Deer Lake Avenue and extends from Canada Way to Century Park Way, as well as within a lane right-of way south of Deer Lake Avenue (within Deer Lake Park). The extent of the overhead lines to be removed is shown on Sketch #1 attached. This project would continue the works of the 2009-2010 Beautification Project which removed the wiring along Canada Way from Kensington Avenue to the Sperling/Deer Lake Avenue intersection. This project would improve the streetscape adjacent to and within Deer Lake Park by undergrounding highly visible overhead wires, as well as removing poorly sited hydro poles along the south side Deer Lake Avenue and adjacent to the Shadbolt Centre for the Arts and Century Gardens. In addition, the removal of the poles down the lane within the park, which is utilized as a significant entry point for the major events and concerts in Deer Lake Park, will result in a significant improvement to this gateway.

It is noted that, as outlined to Council previously under the Gateway Burnaby Access Memorandum, as well as the aforementioned 2011 November 28 report to Council, TI Corporation had previously committed to underground a portion of the works involved in this project as part of their Kensington/Canada Way intersection improvement works. In terms of the scope of the work, TI Corporation has the responsibility for the removal and undergrounding of wiring for four of the eleven poles which are included in the proposed beautification program. As such, staff have contacted TI Corporation regarding their participation in a shared undergrounding program in this area. In recognition of their responsibilities for a component of this project, and the efficiencies that arise from coordination of the works under a single BC Hydro Construction Project, TI Corporation has agreed to make payment to the City for the entirety of the 2/3 cost share of the works under the terms of a BC Hydro Beautification Program Project. TI Corporation has agreed to make payment to the City following Council approval of the recommendations of this report and prior to Final Adoption of the proposed Capital Expenditure Bylaw, in the amount of \$481,200.16. The City would then, in turn, transfer this payment to BC Hydro to pay for the works under the Beautification Program.

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The City would remain responsible for the cost to underground existing 3rd party utilities which provide service to properties down the lane, all but one of which are City-owned, as well as necessary works within the park to accommodate the project including the replacement of one street light in the lane and the removal of a hedge. The partnership with TI Corporation and the BC Hydro Beautification Funding would result in the removal of a considerable extent of overhead lines at a net cost to the City of \$73,600. It should be noted that some of the overhead wires may remain in the interim until the existing buildings connect to the new underground service.

In order to complete the undergrounding of works, BC Hydro's design has indicated a requirement of five statutory rights-of-way on the City-owned properties at 6450 and 6490 Deer Lake Avenue to accommodate the necessary BC Hydro infrastructure including a Vista Switch, a low profile transformer, a switch box, and a junction box, as well as a statutory right of way for the BC Hydro/Telus duct that will run through 6490 Deer Lake Avenue. The locations of the statutory rights-of-way are shown on Sketch #1 attached. The standard City terms for statutory rights of way will apply and BC Hydro will be required to maintain the improvements. It should be noted that the subject city owned properties have been dedicated for Park purposes under Park Dedication Bylaw No. 9425 (1991). The works have been reviewed with staff from the Parks, Recreation and Cultural Services Department, and it is noted that there is no legal or physical impediment to granting the necessary rights-of-way and that the works will contribute to the purpose of beautification within the park.

3.0 PROJECT COSTS – DEER LAKE AVENUE BEAUTIFICATION PROEJCT

Project costs and the City of Burnaby funds required for the proposed project are outlined below:

A.	BC Hydro Project Costs	
	Total Estimated undergrounding costs (including HST).....	\$686,200.16
B.	City of Burnaby Cost Contribution Estimate	
	Telephone lines component.....	\$40,000
	Cable lines component.....	\$10,000
	Street Light Relocation / Hedge Removal.....	\$14,000
	15% contingency.....	\$9,600
	Total City of Burnaby Net Cost.....	\$73,600
C.	Total Project Cost	\$759,800.16
D.	Cost Share Contributions	
	BC Hydro contribution (1/3 of BC Hydro costs)	\$205,000.00
	TI Corporation contribution (2/3 of BC Hydro costs)	\$481,200.16

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4.0 FINANCING

It is expected that the project would commence, following receipt of Council approval, in 2013 March. The 2013-2017 Provisional Capital Program provides for a sufficient capital allocation for the project

A capital expenditure bylaw is required for this project in the amount of \$554,800.16. These bylaw funds provide for the transfer of TI Corporation's contribution to BC Hydro and for the net City expenditure for the project of \$73,600.

Therefore, it is recommended that Council bring down a bylaw to appropriate \$554,800.16 (including 12% HST) from Capital Reserves to fund the costs to remove overhead lines, as outlined in this report.

5.0 CONCLUSION

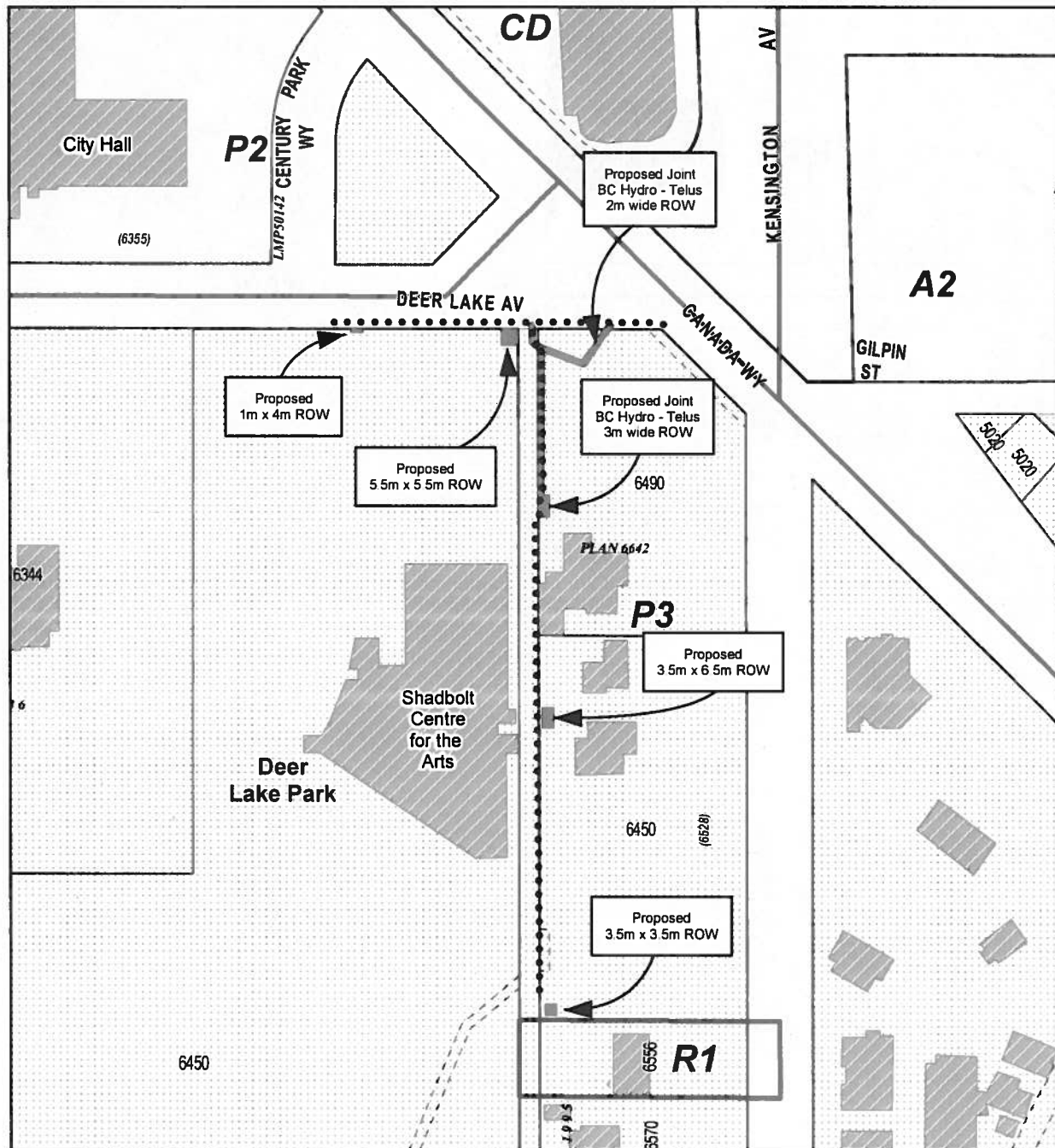
The removal of the subject overhead utility lines is considered to be a desirable and worthwhile endeavour for the City of Burnaby to pursue jointly with BC Hydro and TI Corporation through the BC Hydro Beautification Program. In summary, the total value of the works is \$759,800.16 with a net cost to the City of \$73,600.



Lou Pelletier, Director
PLANNING AND BUILDING

DR:spf/tn
Attachment

cc: Acting Director Engineering
Director Finance
Director Parks, Recreation and Cultural Services
City Solicitor



PLANNING & BUILDING DEPARTMENT



DATE:
FEB 13 2013

SCALE:
1:2,000

DRAWN BY:
AY

2012 - 2013 BC HYDRO BEAUTIFICATION PROJECT

..... Extent of overhead wires to be underground

Sketch #1