

Date: November 5, 2024
To: Anthony Haddad, City Manager
From: Scott Boyko, Public Works Manager

File No: 6240-01

Subject: Kiwanis Pier Replacement

Staff Recommendation

THAT Council receive for information the feedback and recommendation from the Parks and Recreation Advisory Committee (PRAC) relating to the Kiwanis Pier Project and optional scope reduction;

AND THAT Council consider the recommendation and the overall scope and budget for the project through the upcoming budget deliberations.

Strategic priority objective

Vision: Penticton is a connected, resilient and healthy waterfront city focused on safety, livability and vibrancy.

Culture: We are committed to open communication, integrity, and professionalism to build public trust through excellence in all that we do. We embrace modernization, innovation and adaptability to meet the evolving needs of our community, fostering a culture of engagement and purpose.

Livable & Accessible: The City of Penticton will proactively plan for deliberate growth, focusing on creating an inclusive, healthy, and vibrant community.

Background

The 224-foot walking pier on Okanagan Lake opened in 1984 and was paid for by the Kiwanis Club at a cost of \$45,000. The pier has been used as an extended access out of over the lake to view the surrounding area and shoreline for residents, visitors, fishing, wedding parties, events and photographers since implementation. The pier suffered substantial damage from high lake water levels in 2017 with significant repairs undertaken in 2017 and 2018. An annual engineering inspection report has been needed over the last several years due to the condition of the pier. In 2023 a report required \$45,000 worth of immediate repairs that were completed to keep the Pier in place until more permanent plans or options were identified. The annual Engineering Inspection and Report in October 2024 determined that an additional \$50,000 of repairs would be needed to keep the Pier operational beyond the planned construction of Spring of 2025, however, these works have not been actioned in anticipation of the planned renewal. The City's 2024-2028 approved Financial Plan included \$200k in 2024 for design and permitting, and \$1.8 million in 2025 for replacement of the pier, the surrounding landscape, and improved accessibility and amenities to be funded from the Growing Communities Reserve.

In 2024 staff began the design process, with the overall objective of replacing the pier “like for like,” but with enhanced height (above the water) to make it more resilient to high water levels. Staff have also been working through the environmental permitting process, working within the original overall footprint, as any deviations from the existing footprint would complicate and extend the permitting process significantly.

The District of Summerland was also used as a resource for the project as they completed a replacement of their 58m pier in July 2024. At a cost of \$800k for the project, the old pier’s wood pilings, which were rotting and decaying, have been replaced with a more durable steel substructure while the old platform design has been retained to maintain the nostalgia of the original landmark.

As staff worked through the design process for this project, cost escalation (due to increasing materials, supplies and labour costs) for other capital projects was becoming more and more prominent. The actual cost to deliver the approved capital plan, most notably through 2024, has been much higher than when the plan was prepared and approved. While the City had allocated some of the Growing Communities Funding provided by the Province to help bridge some of these inflationary funding gaps, that allocation was depleted this fall, with many 2024 projects still not awarded and/or completed. This trend is expected to continue into 2025 as well.

As a result, on October 15, 2024, staff recommended (and Council supported) that an additional \$1.6M of funding be allocated from the Growing Communities Fund, redirected from the North Gateway allocation (for projects not yet determined) to the inflationary allocation. In addition, staff noted that a full review of all capital projects was being conducted to prioritize remaining projects and to explore further opportunities to maximize the funding available to ensure the City can deliver the approved capital program over the next few years as budget and actual costs re-stabilize. Through this review process, staff identified that the Kiwanis Pier was still in the design process, had a large degree of flexibility for the design of the asset, and was therefore worth reconsidering the scope and budget for the project.

The design consultant has prepared four options for the City to consider:

	Option 1	Option 2	Option 3	Option 4 *current scope and budget
Description	Reduced to Quarter Length.	Reduced by Half Length	New Pier	New Pier. Landscaping & Amenities Improvements
Pier Construction	17.5m, \$189,000	35m, \$380,000	70m, \$750,000	70m, \$750,000
Site Improvements	-Multi-use Path to Pier \$217,000 -Sod Restoration -Electrical	-Multi-use Path to Pier \$217,000 -Sod Restoration -Electrical	-Multi-use Path to Pier \$217,000 -Sod Restoration, Electrical and Landscaping	-Multi-use Path to Pier \$217,000 -Landscaping and Amenities Upgrades
TOTAL	\$600,000	\$800,000	\$1,200,000	\$1,800,000

Staff presented to the Parks and Recreation Advisory Committee (PRAC) on October 23, 2024. Since the presentation, the option pricing has had a slight increase to each of the options based off updated costing

from the design consultant. Staff recommended Option 1 to the Committee, which would reduce the pier size to roughly a quarter of its length as well as a reduction in the scope of the site improvements to facilitate the higher-level pier and to improve the accessibility to the pier, but removing the landscaping and amenity upgrades. This design option would preserve the intent of the Pier for viewing, fishing etc, at a substantially lower cost. The City's Infrastructure and Facilities assets are aging with many coming up for replacement in the coming years. Reducing the size of the pier project would also decrease the operational maintenance costs and lower the potential replacement costs in the future. Option 1 would support a reduction to the project budget by roughly two thirds, and would allow further funding to be available to support other projects over the coming years.

Committee had a robust discussion about the various options. They expressed that the pier was a tourist attraction unique to the City that was widely used and would be missed if removed or reduced. They also noted that the City was growing, and that park and community assets should be increasing to support this growth, not reduced. Having said that, Committee was also understanding of the current financial reality, which ultimately resulted passed the following recommendation:

It was MOVED and SECONDED

THAT the Parks and Recreation Advisory Committee recommend that Council proceed with Option 3 as outlined in the report titled "Kiwanis Pier Replacement" dated October 23, 2024.

CARRIED UNANIMOUSLY

Option 3 still includes the full replacement (like for like) of the existing pier, but reduces the scope of the adjacent landscaping and amenity upgrades. Committee noted that these additional works could be done at a later date should funding become available. Option 3 would support a reduction to the project budget by roughly \$600k.

Committee also inquired if Kiwanis would be contributing to the replacement. Staff advised that we intend to reach out to Kiwanis shortly to inquire about a possible contribution, and Committee noted that the name of the Pier should be further discussed depending on that outcome. Committee requested the project return to Committee in advance of construction, with this additional information, and any potential impacts or changes to the park area around the Pier.

Financial implication

The original staff recommendation to Committee was to reduce the pier to roughly a quarter of its size as presented above in option 1, which would have allowed the 2025 budget to be reduced to \$600k. Given the current approved project budget of \$1.8M for 2025, this would allow \$1.2M to be reallocated to the inflationary allotment, to support approved capital projects through to completion over the next few years as budgets and actual costs stabilize.

The Committee recommendation is to maintain the full size of the pier itself, and reduce the landscaping and amenities. This would allow the 2025 budget to be reduced to roughly \$1.2M, which given the current approved project budget of \$1.8M for 2025, would allow \$600k to be reallocated to the inflationary allotment, to support approved capital projects through to completion over the next few years as budgets and actual costs stabilize.

Analysis

The Kiwanis Pier has reached the end of life and needs to be either removed or replaced in some capacity. While the City has budgeted for the full replacement of “like for like,” a reduction to the proposed scope is being recommended to provide more financial flexibility to deliver the approved capital program over the next few years, or any other Council or community strategic capital projects that may require funding.

Staff have recommended that Council consider a more aggressive reduction in scope, while Committee has supported a smaller reduction. Given the upcoming budget deliberations, which will allow Council to consider all the upcoming capital projects more wholistically, including those which may require additional inflationary amounts, it is recommended that Council receive this report for information and defer a decision on the scope of the Kiwanis Pier project to the budget deliberations.

Alternate recommendations

THAT Council proceed with the currently approved budget and scope for the project, OR

THAT Council select one of the other reduced scope options, or full removal.

Attachments

N/A

Respectfully submitted,

Scott Boyko
Public Works Manager

Concurrence

General Manager of Infrastructure KD	Director of Finance and Administration AMC	City Manager AH
--	---	------------------------