

PRESENTATION NANAIMO CITY COUNCIL

MAY 30, 2015

TRANSPORTATION

R3 Island Corridor Foundation Federal Funding City of Port Alberni

Whereas the Esquimalt & Nanaimo (E&N) Railway corridor remains a critical transportation asset for the current and future needs of the people and economy of Vancouver Island;

And whereas AVICC passed a resolution urging action in 2012 and further delay in repairs to the corridor jeopardizes its viability:

Therefore be it resolved that AVICC petition the Government of Canada to approve and release the \$7.5 million for capital works on the Victoria to Courtenay rail line in order for work to begin as soon as possible and ensure the future of rail based freight and passenger transportation between Victoria, Courtenay and Port Alberni.

ON MOTION, was ENDORSED

NEW BUSINESS

Capital Regional District Resolution to the Association of Vancouver Island Coastal Communities regarding the Island Corridor Foundation.

16-231 MOVED Director Bestwick, SECONDED Director Haime, that the Board endorse the Capital Regional District's (CRD) resolution to the Association of Vancouver Island Coastal Communities, as amended, and that the CRD be notified accordingly:

WHEREAS the Island Corridor Foundation (ICF) was established in 2003 to oversee the management and operations of the E & N Rail Line which has a direct impact on many municipalities on Vancouver Island but these same municipalities have no direct representation on the ICF Board.

AND WHEREAS although the rail service has not been operating for the past several years, and the services provided to municipalities along the corridor by the management of ICF has not met the expected standard, the costs to support the ICF continue to be significant.

THEREFORE BE IT RESOLVED that the Association of Vancouver Island Coastal Communities work with impacted First Nations, municipalities, regional districts and the ICF Board to conduct a financial and governance review of the ICF and its contractors as it relates to the E & N Rail Line; AND that the review include the consideration of options to provide a cost effective transportation alternative should the costs of resurrecting rail prove too costly.

CARRIED

RISE AND REPORT

Island Corridor Foundation.

16-233 MOVED Director Haime, SECONDED Director Lefebvre, that the Island Corridor Foundation Contribution Agreement report be received for information and that staff be directed to provide Island Corridor Foundation with a 60-day notice of termination as per Section 11.1 of the Contribution Agreement.

CIED

16-234 MOVED Director Fell, SECONDED Director Kipp, that the Board direct staff to notify the other Members of the Island Corridor Foundation that the Regional District of Nanaimo does not support the retention or continuation of Granneke Management by the Island Corridor Foundation Board.

CARRIED



— Image Credit:

the highest populations.

“If you look at that list and think about it, those really are the busiest intersections in the city,” said Gordon Foy, city of Nanaimo traffic and transportation planning engineer.

“One of the worst intersections in Nanaimo, at Boundary Avenue, Northfield Road and Highway 19A, that’s been around for a number of years and we’ve now got the province on board for 50 per cent of the cost,” said Mayor Bill McKay.

It should come as no surprise the most dangerous intersections on northern Vancouver Island are where the traffic is.

Nanaimo leads the list of the worst crash sites north of the Malahat, with six of the top 10 spots.

Two Nanaimo locations share the title for highest numbers of crashes: Highway 19A at Mostar and Rutherford roads; and Bowen Road and Highway 19A.

Each location had a total of 310 crashes between 2009 and 2013, according to a report compiled by ICBC for the *Daily News*, looking at the mid-Island region (from Mill Bay to Campbell River).

The data is revealing, but the number of crashes alone does not give the final word on safety. It comes as no surprise the greatest number of crashes were counted in those cities that have

DATE OF MEETING May 9, 2016

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WORKS

SUBJECT NORTHFIELD/BOUNDARY/HWY 19A PROJECT TENDER

OVERVIEW

Purpose of Report

To obtain direction from Council on deferring the Northfield/Boundary/19A intersection upgrade project.

Recommendation

That Council defer the Northfield/Boundary/Hwy 19A intersection project for one year or until such time as there is more certainty on the future of rail.

BACKGROUND

The intersection(s) of Northfield Road/Boundary Avenue and Highway 19A/Northfield Road has long been an area of concern due to the high number of vehicle collisions. The City of Nanaimo in partnership with the Ministry of Transportation and Infrastructure has developed a safety focused upgrade project for the intersection(s). In June 2015, a joint public announcement between MoTI and CoN was made, announcing funding for the project.

To facilitate the intersection upgrades, it is a requirement to upgrade the railway crossing and bring it into compliance with current rail crossing regulations.

Council approved tendering the work and making a sole source purchase from SVI for the rail hardware at the Regular Council meeting on February 15, 2016. The tender for the project was issued on March 11th, 2016 and it is scheduled to close on May 18th, 2016. Once it closes the City will have a contract with the low compliant bidder. The sole source purchase has not been made yet since it is necessary to know the tender value first to ensure project viability.

There have recently been some decisions by local governments that could affect the future of trains on the E&N railroad. At the Regional District of Nanaimo (RDN) Board meeting on March 22nd, 2016 a resolution was carried providing the Island Corridor Foundation (ICF) notice of termination as per Section 11.1 Contribution Agreement, essentially withdrawing funding for rail track upgrades. Also, at the AVICC (Association of Vancouver Island and Coastal Communities) meeting on April 8 - 10th, 2016 two resolutions related to the ICF and the future of rail were passed.

With the intersection upgrade there are significant costs associated with the rail crossing on Northfield Road. Both the direct and indirect costs associated with the active rail crossing are shown below:

Direct costs

- Upgrade of rail hardware associated with project - \$565,000.
- Potential future costs if rail track upgrades occur - \$560,000.

Indirect costs

- Traffic signal at Boundary – \$200,000.
- Multiuse trail ramp and fencing - \$110,000.

Total potential costs related to the active rail crossing are approximately \$1,500,000 and the City's share would be half. Given the recent decisions related to rail, the City may want to revisit the timing of the intersection upgrade project and wait for more certainty.

The Ministry of Transportation and Infrastructure has indicated that they would respect the City's decision to defer the project and that they would continue to be interested in a partnership should the City wish to carry on in the future with intersection upgrades.

OPTIONS

1. Option 1 – Defer the project

- **Budget Implication:** The City has allocated funding for the project in the 2016 Financial Plan. Deferment would delay the expenditure until such time as the City moves forward with the project.
- **Legal Implication:** When traffic accidents occur, there is always the potential for a claim against the City. Deferring the project may attract additional claims.
- **Engagement Implication:** This project has been covered a number of times by the local media and there is considerable expectation in the community to complete it. Deferring it may be controversial.
- **Political Implication:** Deferring this widely anticipated project may inadvertently intensify the debate about the future of rail.
- **Other Implications:**
 - i. Deferring this project may impact the City's working relationship with ICF and SVI which could have adverse consequences for other initiatives.
 - ii. Given that the intersection is one of the higher crash locations, deferring the upgrades will allow the current accident rate to continue.
 - iii. If there were no active rail crossing, the scope of the intersection upgrade project could be revised and improved even further than what is currently proposed.

2. Option 2 – Proceed with project tender (no deferment)

- **Budget Implication:** The City has allocated funding to complete the project and once the tender is received, a better understanding of the costs would be available.
- **Engagement Implication:** This project has been covered a number of times by the local media and there is considerable expectation in the community to complete the upgrades.
- **Political Implication:** If the project is completed, and in the near future the rail is deactivated, the rail upgrades could be seen as a waste.

SUMMARY POINTS

- Given the recent decisions by Local Governments on Vancouver Island, the future of active rail on the E&N railroad is uncertain.
- A significant cost of the Northfield/Boundary/19A project is either directly or indirectly related to the active railroad.
- The City may want to defer the project for a period of time to allow more certainty on the future of rail to be established.

IN SUMMARY:

QUESTIONS:

1. WHY WOULD A REPORT BE MADE TO COUNCIL TO REQUEST A DELAY ON THE PROJECT BASED ON THE ISSUE OF RAIL SERVICE, WHEN IT IS A FACT THAT THE RAIL SERVICE WILL BE IN PLACE AT THAT LOCATION IN A YEAR'S TIME?

2. THE DEBATE AND FUTURE OF THE RAIL CORRIDOR WILL GO ON FOR SOME YEARS YET AS IT ALWAYS DOES FOR A COMPLEX MULTI-JURISDICTIONAL PROJECT. THAT INTERSECTION NEEDS TO BE UPGRADED NOW FOR THE SAFETY OF DRIVERS, THOSE ON BIKES AND PEDESTRIANS. THEREFORE THERE IS NO REASONABLE RATIONALE FOR ANY DELAY.

**3. IN THE THIRD PARAGRAPH OF THE STAFF REPORT OF MAY 9, 2016 IT STATES THAT:
"THE TENDER FOR THE PROJECT WAS ISSUED ON MARCH 11TH, 2016 AND IT IS SCHEDULED TO CLOSE ON MAY 18TH, 2016. ONCE IT IS CLOSED THE CITY WILL HAVE A CONTRACT WITH THE LOW COMPLIANT BIDDER. THE SOLE SOURCE PURCHASE HAS NOT BEEN MADE YET SINCE IT IS NECESSARY TO KNOW THE TENDER VALUE FIRST TO ENSURE PROJECT VIABILITY."**

•HOW IS IT POSSIBLE TO PUT A PROJECT OUT FOR TENDER, HAVE A CLOSING DATE WITHIN 9 DAYS OF THE DATE OF THIS REPORT AND YET QUOTE COSTS RELATED TO THE RAIL CROSSING?

•ON PAGE TWO OF THE REPORT IT GOES ON TO SAY THAT "TOTAL POTENTIAL COSTS RELATED TO THE ACTIVE RAIL CROSSING ARE APPROXIMATELY \$ 1,500,000 AND CITY'S SHARE WOULD BE HALF.

GIVEN THAT THE COSTS OF ACTIVE RAIL CROSSING WOULD FORM PART OF THE TENDER AND WOULD BE THE RESPONSIBILITY OF THE COMPANY SUBMITTING THE TENDER TO ASCERTAIN THOSE COSTS AS PART OF THE TENDER—WHY CANCEL THE TENDER?

· “THE SOLE SOURCE PURCHASE HAS NOT BEEN MADE YET SINCE IT IS NECESSARY TO KNOW THE TENDER VALUE FIRST TO ENSURE PROJECT VIABILITY.”

· WHY WAS IT NOT DONE? WAS THAT NOT THE RESPONSIBILITY OF THOSE WHO BID, TO OBTAIN THAT INFORMATION FROM SOUTHERN RAIL?

· THREE MEMBERS OF COUNCIL VOTED TO PROCEED WITH THE PROJECT AT THE MAY 9TH MEETING. OTHER COUNCIL MEMBERS WERE IN SUPPORT OF SOLVING THE PROBLEM OF THIS DANGEROUS INTERSECTION.

· WAITING WILL NOT SOLVE THE PROBLEM. IT WILL MAKE IT WORSE AND MORE EXPENSIVE. WITH US IN THE PRE BC ELECTION CYCLE WE CAN EXPECT THE BC GOVERNMENT WILL STAND BY THEIR COMMITMENT OF \$ 7.5 M. THE CITY SHOULD NOW, IF IT HAS NOT BEEN DONE, APPLY FOR A FEDERAL GRANT UNDER THE NEW INFRASTRUCTURE PROGRAMME.

· THE CLOSE OF WOODLANDS SCHOOL WILL NOT FREE UP ANY PROPERTY TO A RE-DESIGN AS DISPOSITION OF SCHOOL DISTRICT PUBLIC PROPERTY FOLLOWS A STRICT PROTOCOL AND THAT WILL TAKE MORE THAN A YEAR TO COMPLETE.

· I FEEL, AND I KNOW MANY OTHERS FEEL, THAT COUNCIL SHOULD COMPLETE THE PROJECT THIS YEAR. THIS CAN BE ACCOMPLISHED BY A COUNCIL MEMBER WHO VOTED IN THE AFFIRMATIVE ON THE MOTION OF MAY 9TH TO MOVE RECONSIDERATION OF THE MOTION AT A SUBSEQUENT MEETING.

• THIS SHOULD BE DONE SOON TO MEET THE MORAL OBLIGATION OF THE COUNCIL TO PROTECT ITS CITIZENS AND TO ITS COMMITMENT MADE YEARS AGO TO COMPLETE THIS PROJECT.

THANK YOU