



CITY OF VANCOUVER

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ADMINISTRATIVE REPORT

Report Date: October 18, 2005
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TO: Vancouver City Council
FROM: General Manager of Engineering Services
SUBJECT: Capital Improvements - EasyPark Lot 1 (Bentall Tower V Parkade)

RECOMMENDATION

THAT Council authorize the expenditure of \$91,000, plus applicable taxes, as the City share of the cost of upgrading lighting and ventilation systems at the Bentall 5 Parkade (EasyPark Lot 1), with funding to be provided from the Property Endowment Fund (Parking Site Reserve).

CITY MANAGER'S COMMENTS

The City Manager RECOMMENDS approval of the foregoing.

COUNCIL POLICY

Funding for capital improvements at the City's off-street parking facilities is provided from the Parking Sites Reserve.

PURPOSE

The purpose of this report is to seek Council's approval of the City share of costs for the replacement and upgrading of lighting and ventilation at the Bentall Tower V parkade (535 Hornby Street). This investment will have a positive economic return resulting from lower energy and maintenance costs.

BACKGROUND

The Bentall Tower V parkade is a parking facility that is jointly controlled by Bentall Real Estate Services and the City of Vancouver (the Co-operators). Currently, this facility is being operated by the Parking Corporation of Vancouver (EasyPark). The City has an interest in 400 parking spaces out of 952 total parking spaces and benefits proportionately, receiving 42% of revenues after expenses.

Bentall has proposed upgrading of the ventilation and lighting systems at this facility. The existing ventilation system is obsolete and cannot be economically repaired. A new ventilation control system is proposed which will have several advantages. The exhaust fans will be upgraded with variable speed drive controllers, which will improve energy efficiency. In addition, fans which currently run 24 hours per day will be better controlled to operate only when needed, also reducing energy costs. Additional advantages include reduced noise and improved fire control system monitoring capabilities. The lighting system will be upgraded from T12 lamps to T8 lamps with electronic ballasts, further reducing energy costs.

DISCUSSION

The total cost of the project is estimated as \$222,000 plus GST, of which the City's share is approximately \$91,000. Bentall has developed an economic analysis which projects a positive economic benefit arising from both energy and maintenance savings. The projected payback period for the whole project is 6.1 years. The project is a sound investment with relatively low risk.

Under the agreement with Bentall for this parkade, benefits which result from this renovation project will flow in the same proportion as the contributed costs. Both City staff and EasyPark management support this proposal.

FINANCIAL IMPLICATIONS

The City's share of this project (\$91,000) is a capital project associated with the City's off-street parking facilities. It is appropriate that the source for this funding be the Property Endowment Fund (Parking Site Reserve). There is sufficient funding in the Parking Site Reserve to provide for this expenditure.

Reduced operating costs (energy and maintenance) resulting from this project will reflect in improved financial results accruing to EasyPark. All of EasyPark's operating profit is returned to the City's Parking Site Reserve. Therefore, the reduced operating costs arising from this project will result in increased ongoing contributions to the Parking Site Reserve.

CONCLUSION

The proposed cost-shared renovation and upgrading of the lighting and ventilation in the Bentall 5 parkade is a sound proposal, and is being recommended for approval in this report.

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