



## ADMINISTRATIVE REPORT

Report Date: June 9, 2010  
Contact: Neal Carley  
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Meeting Date: June 22, 2010

TO: Vancouver City Council  
FROM: General Manager of Engineering Services  
SUBJECT: Agreement to Permit BC Hydro to Attach Equipment to City Structures

### *RECOMMENDATION*

- A. THAT the General Manager of Engineering Services and the Director of Legal Services be authorized to conclude negotiations and execute and deliver a legal agreement with B.C. Hydro to permit attachment of certain equipment to the underside of the Canada Place Viaduct to provide additional electrical power to the cruise ship terminal, on terms and conditions generally as described in this report, and such other terms and conditions satisfactory to the General Manager of Engineering Services and Director of Legal Services.
- B. THAT the General Manager of Engineering Services and Director of Legal Services be given standing authority to execute and deliver on behalf of the City additional legal agreements with B.C. Hydro to permit attachment of B.C. Hydro equipment to City structures at additional locations in the City, on the same terms and conditions as the agreement with BC Hydro referred to in Recommendation A.
- C. THAT no legal rights or obligations will arise or be created by Council's adoption of Recommendation A or B unless and until all legal documentation has been executed and delivered by the respective parties.

### *GENERAL MANAGER'S COMMENTS*

The General Manager of Engineering Services RECOMMENDS approval of A, B and C.

### *COUNCIL POLICY*

Where Council's pre-existing standing authority for the execution of contracts by City staff is not applicable, specific Council authorization is required.

### ***PURPOSE***

This report seeks Council's authorization to enter into a legal agreement with B.C. Hydro to permit them to attach electrical ducts to City structures (bridges and viaducts). The initial approval is sought for equipment that has been attached to the Canada Place Viaduct to facilitate "shore power" for the cruise ship terminal. Additionally, standing authority is sought to allow staff to sign additional agreements for works at other locations on the same terms as this agreement if, as and when needed.

### ***BACKGROUND***

The City has typically permitted access to City streets by utility companies to construct and operate their business by a Municipal Access Agreement ("MAA"). We typically require an additional agreement, specific to the circumstance, to allow utility equipment to be attached to a bridge or viaduct. This is done to acknowledge that the structure is the principal use, and that the City's needs to maintain and replace that structure take precedence over the needs of the utility to serve its customers.

The existing MAA with B.C. Hydro dates from 1936 and does not include any of the needed language around mounting equipment on a City structure. Consequently, a Bridge Attachment Agreement is required.

### ***DISCUSSION***

#### Bridge Attachment for the Canada Place "Shore-Power" Project

There is a multi-party agreement involving senior governments, Port Metro Vancouver and B.C. Hydro, to provide shore-power to the cruise ship terminal at Canada Place for the 2009 season. Street access to Canada Place is very limited and mostly on viaduct structure. Consequently, many new utility services in the area must be attached to the City viaducts on which the roadways are located.

B.C. Hydro approached the City for permission to attach their equipment to the underside of the Canada Place Viaduct and we have negotiated the following terms:

- City permission required for B.C. Hydro to undertake all work, including routine maintenance, except in cases of bona fide emergency
- B.C. Hydro to maintain the ducts in good and sufficient repair and free from nuisance (such as birds and rats) to the satisfaction of the City Engineer. If B.C. Hydro fails to maintain adequately, City is entitled to remedy the problem at B.C. Hydro expense.
- The City may inspect the works at any time and B.C. Hydro will pay to the City the cost of an annual inspection of the works, as well as the cost of any other inspections of the works at other times, provided that the City Engineer believes there are reasonable grounds for any such additional inspection.
- Term is 20 years
- City can give notice requiring B.C. Hydro to remove all or part of the equipment and restore the viaducts on 60 days notice to allow the City to maintain, upgrade, retrofit and/or repair the viaducts
- There is no obligation on the City to repair, restore or replace the viaducts
- No assignment of rights by B.C. Hydro to a third party without City of Vancouver permission
- Full liability and indemnity clause in favour of the City.

Responding to a request to fast-track the project to meet the start of the 2009 cruise season, staff has permitted the project to proceed on the basis of a letter agreement on the above terms. Additionally, should Council not authorize the agreement, or should the City and B.C. Hydro not be able to come to terms on the formal agreement, then the equipment will be removed and the viaduct restored at the expense of B.C. Hydro.

#### Standing Authority to Add Further Locations

As the City densifies, utility providers increasingly have to use unconventional means to extend service to new or expanding customers. This is particularly true in the Central Waterfront where much of the basic street access is provided by City viaducts.

Having established the terms for B.C. Hydro to attach equipment to our bridges via this agreement, and anticipating the need to add new locations on similar terms, the General Manager of Engineering Services and Director of Legal Services are seeking standing authority from City Council to enter into additional agreements with B.C. Hydro on similar terms if, as and when needed. Should there be a need to vary the terms, this would be reported back to Council for approval.

#### ***FINANCIAL IMPLICATIONS***

There are no financial implications.

#### ***ENVIRONMENTAL IMPLICATIONS***

This project will facilitate appropriately equipped cruise ships to plug into shore-power while in port, rather than run their engines to generate electrical power. The project proponents reported that the 2009 cruise season had approximately 60 calls of shore-power enabled ships that reduced carbon dioxide emissions by 3200 to 3700 tonnes.

#### ***CONCLUSION***

Staff recommend that Council permit B.C. Hydro to attach electrical equipment to City bridges, subject to execution of a Bridge Attachment Agreement to the satisfaction of the General Manager of Engineering Services and Director of Legal Services.

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