



Item.....
Meeting..... 2020 January 27

Council REPORT

TO: CITY MANAGER **DATE:** 2019 December 03
FROM: DIRECTOR PLANNING AND BUILDING **FILE:** 37500 02
Reference: Holdom Overpass
SUBJECT: MEMORANDUM OF UNDERSTANDING FOR HOLDOM OVERPASS PROJECT
PURPOSE: To convey Council's decision on the Memorandum of Understanding for the Holdom Overpass Project

RECOMMENDATION:

1. **THAT** Council receive this report for information.

REPORT

Council, at the "Closed" Council meeting of 2019 December 02, received and adopted the *attached* report seeking Council approval to enter into a Memorandum of Understanding with the Vancouver Fraser Port Authority regarding the Holdom Overpass Project.

Council further directed that the report be forwarded to a subsequent "Open" Council meeting for information.


E. W. Kozak, Director
PLANNING AND BUILDING

SR:
Attachment



Item
Closed Meeting 2019 Dec 2

CLOSED COUNCIL REPORT

TO: CITY MANAGER **DATE:** 2019 Nov 27
FROM: DIRECTOR PLANNING AND BUILDING **FILE:** 37500 02
Reference: Holdom Overpass
SUBJECT: MEMORANDUM OF UNDERSTANDING FOR HOLDOM OVERPASS PROJECT
PURPOSE: To seek approval of the terms of a Memorandum of Understanding between the City and the Vancouver Fraser Port Authority

RECOMMENDATIONS:

1. **THAT** Council authorize staff to enter into a Memorandum of Understanding with the Vancouver Fraser Port Authority, on terms substantially as described in this report.
2. **THAT** a copy of this report be forwarded to the Vancouver Fraser Port Authority.

REPORT

1.0 INTRODUCTION

The Vancouver Fraser Port Authority (VFPA) has obtained funding for design and construction of the Holdom Overpass across the railway tracks in the Central Valley. They are seeking to partner with the City on the design and construction of the overpass. To that end, staff have been negotiating a Memorandum of Understanding (MOU) between the City and VFPA. This report describes the project and seeks Council endorsement of the MOU.

2.0 POLICY SECTION

The Holdom Overpass Project supports the following goals and sub-goals of the City's *Corporate Strategic Plan*:

- **A Safe Community:**
 - Emergency preparedness – Enhance plans, procedures and services so that we are better prepared to respond to emergencies and are able to maintain City services.
 - Transportation safety – Make City streets, pathways, trails and sidewalks safer.
- **A Connected Community:**
 - Partnership – Work collaboratively with businesses, educational institutions, associations, other communities and governments.
 - Geographic connection – Ensure that people can move easily through all areas of Burnaby, using any form of transportation.

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- **A Healthy Community:**
 - Healthy life – Encourages opportunities for healthy living and well-being.

- **A Dynamic Community:**
 - City facilities and infrastructure – Build and maintain infrastructure that meets the needs of our growing community.

The Holdom Overpass Project has been shown in the City’s *Transportation Plan* since the first edition, in 1979.

3.0 BACKGROUND

Greater Vancouver Gateway 2030 is a \$3 Billion proposal to improve road and rail infrastructure in the Lower Mainland so as to increase capacity and reduce delays for freight movement, and mitigate the impact of goods movement on local communities. *Gateway 2030* was developed jointly by Transport Canada, BC Ministry of Transportation and Infrastructure, VFPA, TransLink, and the Greater Vancouver Gateway Council.

Gateway 2030 consists of dozens of individual projects around the region. Many of these have been awarded federal funding, including four in Burnaby. Illustrated in *Figure 1*, these are:

1. **Cascadia trackage:** construction of a third track, parallel to the two existing ones, for about 1.1 km on the CP Railway between Boundary Road and Willingdon Avenue, for improved service to Viterra Cascadia Terminal (a grain facility) in Vancouver;

2. **Tunnel ventilation:** improved ventilation in CN Railway’s Thornton Tunnel so that less time is required to clear locomotive emissions before another train can enter the tunnel;

3. **BNSF siding track:** construction of a siding for passing or short-term queuing of trains, parallel to the two existing “running” tracks, for about 5.5 km on the Burlington Northern Santa Fe (BNSF) Railway between Willingdon and Piper Avenues, to increase tunnel capacity by allowing for more efficient queuing and passing; and,

4. **Holdom overpass:** replacement of the Douglas Road at-grade railway crossing with an overpass above the BNSF Railway tracks at Holdom Avenue.

All four projects will increase capacity for train movements through Burnaby. The first three projects are being led by the federally-regulated railways, with only minimal City involvement. These three will proceed independently, regardless of Council’s decision on the fourth.

This report focuses on the fourth project: the Holdom overpass. VFPA is seeking to enter into a partnership with the City for the delivery of this project, which would ultimately be owned by the City.

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Figure 1: Project Locations



4.0 HOLDOM OVERPASS

The existing Douglas Road at-grade railway crossing sees about 30 trains daily. The road is typically blocked for about four minutes each time, though occasionally for more than ten. Traffic queues can extend for several hundred metres to the north and south, even to the point of interfering with Lougheed Highway traffic on occasion. The number of trains is expected to increase over time, in response to continued growth in port traffic.

The Holdom Overpass Project would close the existing Douglas Road at-grade railway crossing and replace it with a four-lane overpass at Holdom Avenue, as proposed in the *Burnaby*

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Transportation Plan since 1979. This general alignment of the Holdom overpass is illustrated conceptually in **Figure 2**. From Goring Street, the concept would extend southward and rise to cross the BNSF tracks. It would then descend, cross Still Creek (the creek; not the road) and align with Douglas Road at the Norland Avenue intersection. Supporting roadworks north of the tracks would allow for continuity of the local street network and access to private lands, with the details still to be determined.

Figure 2: Conceptual Alignment



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The City is being asked to allow construction of the project on City-owned lands that are already intended for that purpose in the *Burnaby Transportation Plan* and other policy documents. The City is also being asked to assume ownership of the works upon completion.

The City already owns much of the land needed for the project. VFPA will need to acquire some additional lands for the project, which will be dedicated to the City as road rights-of-way.

4.1 Potential Project Impacts

The Holdom overpass is expected to provide numerous benefits to Burnaby, including:

- improved north-south mobility for all modes, by eliminating delays (that would otherwise grow with increased road and rail traffic) at the Douglas crossing;
- improved safety for all modes, by eliminating conflicts with trains at the Douglas crossing;
- elimination of the warning bells that help to protect the above crossing;
- more reliable emergency response times;
- improved facilities for pedestrians and cyclists; and,
- vehicle idling would be reduced, by eliminating time spent queued when a train is passing.

The project, coupled with other *Gateway 2030* initiatives, would allow more trains to pass through Burnaby. This will mean more frequent noise and emissions in the area. However, these impacts would still be less than if those same goods passed through the city by truck. There is one aspect of the potential noise impact that requires further explanation:

- Trains destined for the single-track Thornton Tunnel must queue until the tunnel has been ventilated after the passage of a preceding train. This queuing currently takes place east of Douglas Road, where the adjoining land uses are primarily industrial and park. The queuing presently cannot take place closer to the tunnel because a stopped train near the tunnel would extend across Douglas Road, blocking the crossing for an unacceptably long time.
- The sound of a train starting or stopping is far noisier than that of a train moving. A train has a small gap between each car. When a train stops, that gap disappears and each car impacts the one ahead of it. The sound of impact runs from car to car along the length of the train. The process for starting up again is similarly noisy.
- As a result of constructing the Holdom overpass, this starting and stopping activity will move westward to Willingdon Avenue, and thus be located close to residential developments in the Brentwood Town Centre. The magnitude and extent of these effects is not yet known, nor has it yet been determined whether or not it is possible to mitigate them.

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The project will also cross the riparian area of Still Creek, at a location that is already urbanized. Some mitigation of the impact to the creek may be needed.

5.0 MEMORANDUM OF UNDERSTANDING

The Holdom Overpass Project is within the City's jurisdiction and will therefore not proceed unless it has the support of Burnaby Council. With this in mind, City and VFPA staff have been negotiating a MOU that would define the project and identify the roles of both parties.

While the railway tracks are *owned* by BNSF, they are *operated* by CN. For this reason, CN will be the lead railway on this project. CN's role in the project is the subject of a separate agreement between CN and VFPA. The proposed MOU that is the subject of this report would only be between the City and VFPA.

Key terms of the draft MOU are:

1. The **project is defined** in general terms: close the Douglas Road at-grade crossing after building a four-lane overpass that includes walking and cycling facilities separated from traffic. Provide a supporting local street network to preserve access and circulation. Provide mitigation or compensation for stream impacts as required.
2. Work will be designed and constructed to the **standards** of the City, CN, and BNSF.
3. The City will **own and maintain** the infrastructure upon project completion and must not detract from its functionality for at least 25 years. The City will own the land upon which it is built (excluding the BNSF corridor itself).
4. The project will be **led by VFPA**, with the participation of the City.
5. As a federal agency, VFPA is unable to submit **permit applications** to non-federal governments. Accordingly, VFPA will prepare such applications and the City will submit them. The City will exercise its customary permitting functions for work performed within its jurisdiction.
6. The general form of **public consultation** is described. This will be led by VFPA, based on a consultation strategy and communications protocol that the City and VFPA will agree upon. VFPA will also lead the consultation with Indigenous groups, with City support.
7. The **project delivery approach** (e.g., design-bid-build vs design-build) has not been determined at this time.
8. There is an option for the City to include **other works** in the same area, at the City's cost, if the City sees value in having those works proceed as part of the VFPA contract, provided the addition does not compromise successful delivery of the core project scope.

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9. The project will be **funded** by the federal government, VFPA, and CN in roughly equal proportions. Available funding is capped at \$145.1 million, which is consistent with current project cost estimates. If, during design, estimated project costs rise above available funding, additional funding will be obtained or the project will stop.
10. Certain **target dates** are identified. The entire project is to be completed by 2024 June 30, to be eligible for cost recovery from funding partners.
11. City **staff costs** will not be reimbursed. They will be an in-kind contribution to the project.
12. The City and VFPA will each appoint a senior-level **project sponsor** to ensure that the project has adequate resources, and assist with dispute resolution if that is not adequately addressed at lower levels of both organizations.
13. The MOU would be followed by **two subsequent agreements**, a Design Agreement and Construction Agreement, providing additional details on scope, roles, and responsibilities for those aspects of the work. The design work will include aesthetic considerations, an exploration of noise attenuation possibilities in the Brentwood Town Centre area, and conceptual design (but not subsequent construction) of a multi-use path overpass across the railway tracks at Douglas Road.
14. Up until the execution of the Construction Agreement, either party can **terminate the project**. In most cases, VFPA would be responsible for all project costs incurred to that date. So for example, if the design work identifies significant environmental, archaeological, schedule, cost, or public issues, either party can stop the project at no cost to the City. However, if the City fails to work with VFPA expeditiously and in good faith in negotiating a Construction Agreement, or if the project is abandoned for reasons reasonably within the City's control, then the City would be required to cover 34% of costs incurred to that date, to an upset limit of \$3 Million. This corresponds roughly to the federal share of funding for design.

5.1 Discussion

The project provides an opportunity to achieve a long-sought component of the *Burnaby Transportation Plan*. Staff consider the defined scope of work to be suitable and appropriate. The design is subject to City approval, which protects the City's interest in the quality of the work. The project includes a significant public consultation program.

It is estimated by VFPA that the available funding of \$145.1 Million is sufficient for property acquisition, design and construction of the project, with no contribution from the City. If, as design progresses, it becomes clear that more funds are needed, it is possible that VFPA would ask the City for a financial contribution. This would be entirely at the City's discretion, as the MOU places no onus on the City to fill any funding gap. If additional funds are not forthcoming, whether from the City or others, the project would not proceed to construction.

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The only circumstance under which the MOU commits the City to a cash outlay is if the City acts unreasonably or in bad faith. In that unlikely scenario, the City would be required to pay 34% of project costs incurred to that date, to a limit of \$3 Million.

If the project is constructed, the MOU commits the City to take ownership of the finished works and maintain them for 25 years. This is reasonable. The link would form part of the City's road network, with no VFPA ownership, and the City would want to maintain the facility to our standards. The 25-year commitment is appropriate, as it gives the funding partners assurance that there will be on-going value from their investment in the project.

The design is subject to City approval. The City's approval will include establishing a level of comfort that the project has adequately dealt with poor soil conditions in the area, so that ongoing maintenance costs are not excessive.

If the MOU is approved by Council, staff would proceed to execute that document and then prepare and execute the subsequent Design Agreement. It is anticipated that staff would report back to Council prior to public consultation, to advise of the intended scope and content of the consultation program. It is further anticipated that a later report to Council would seek Council's decision on whether or not to proceed to construction, so that Council can determine whether issues identified during design and consultation have been adequately addressed. Permission to execute the Construction Agreement would be sought at that time, which would represent Council's final decision on whether or not to construct the project.

6.0 RECOMMENDATION

This report describes the scope of the proposed Holdom Overpass Project, and the contents of a proposed MOU between the City and VFPA. The project has the potential to be a significant benefit to the city. Council's endorsement of the MOU would initiate the project's design phase. Subsequent reports would initiate public consultation and provide Council with the final decision on whether or not to proceed to construction.

It is therefore recommended that Council authorize staff to enter into a MOU with the Vancouver Fraser Port Authority, on terms substantially as described in this report, and that a copy of this report be forwarded to the Vancouver Fraser Port Authority.



E. W. Kozak, Director
PLANNING AND BUILDING

SR:tn

cc: Director Engineering
Director Public Safety and Community Services
Director Parks, Recreation and Cultural Services

Director Corporate Services
Director Finance