10 – Year Capital Plan
2018-2027

July 2018

PRESENTATION OUTLINE

▶ Infrastructure Planning Process

▶ Infrastructure Projects & Financing

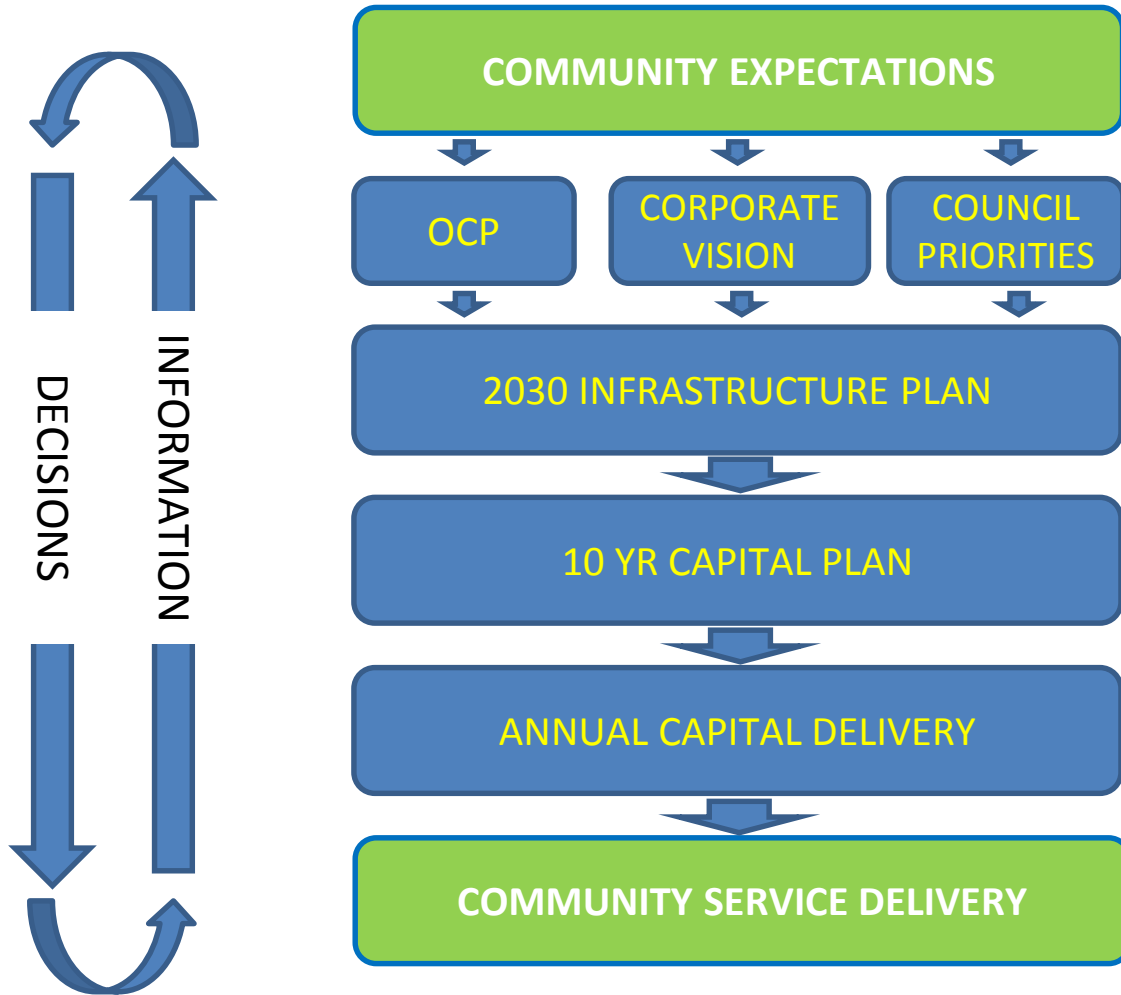▶ Changes from 2030 Infrastructure Plan

▶ Challenges

City of **Kelowna**

Key Messages

▶ 10-Yr Capital Plan is guided by the direction set in the 2030 Infrastructure Plan.

▶ 10-Yr Capital Plan is based on best available information and will be updated annually to remain accurate and practical.

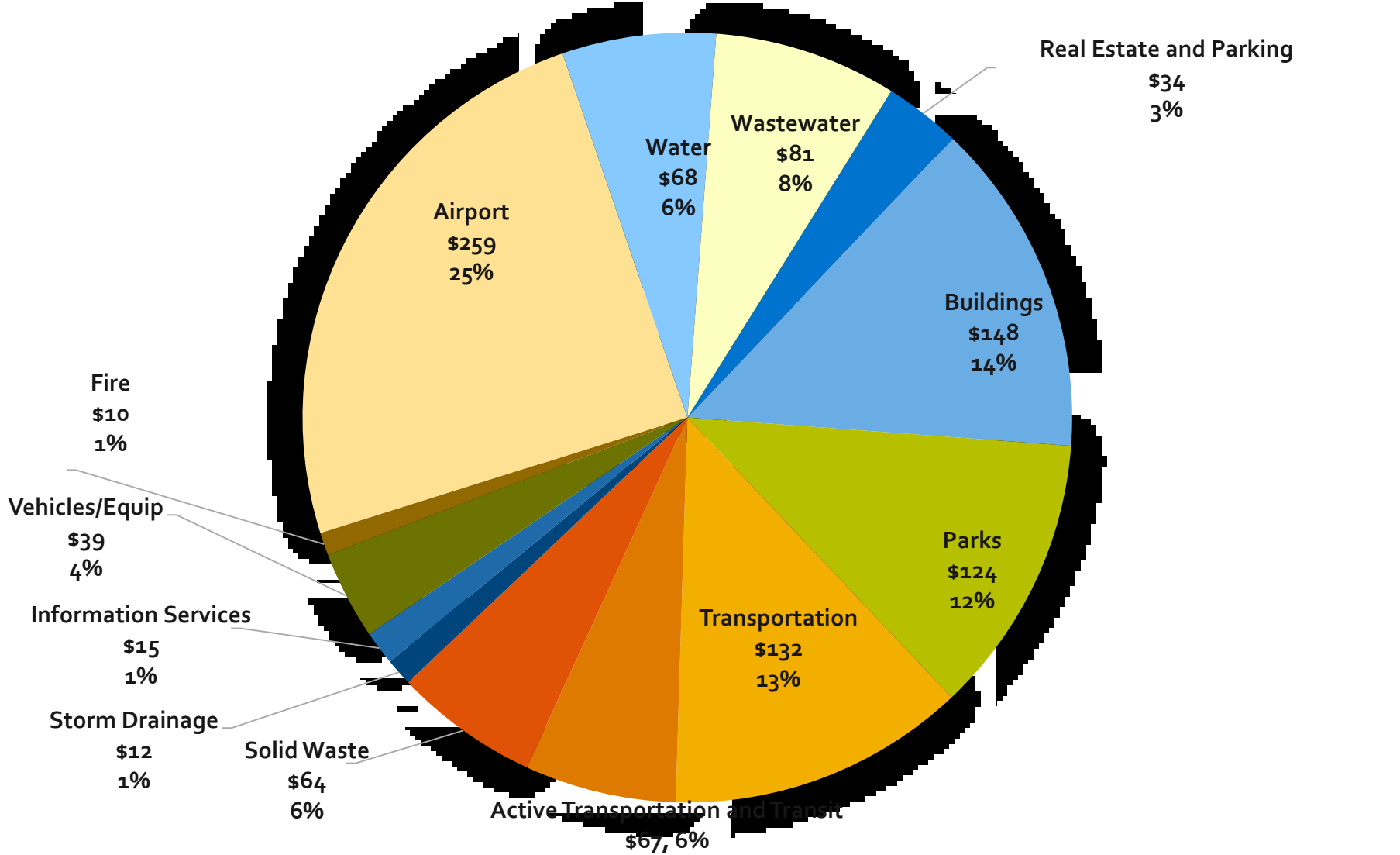▶ By planning ahead we can address infrastructure challenges and risks to service delivery.

City of **Kelowna**

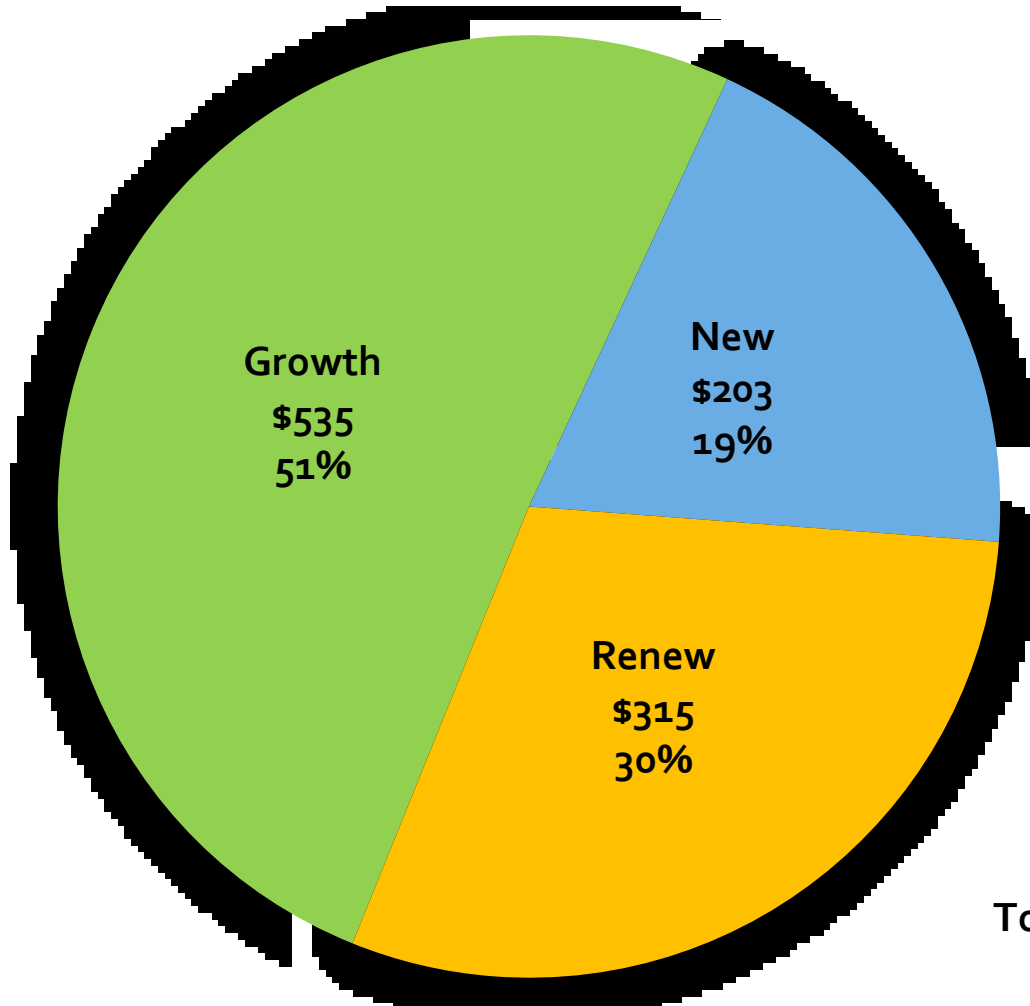# INFRASTRUCTURE PLANNING MODEL

INFRASTRUCTURE INVESTMENT
($millions)

Real Estate and Parking
$34
3%

Wastewater
$81
8%

Water
$68
6%

Airport
$259
25%

Buildings
$148
14%

Fire
$10
1%

Vehicles/Equip
$39
4%

Information Services
$15
1%

Storm Drainage
$12
1%

Solid Waste
$64
6%

Active Transportation and Transit
$67, 6%

Transportation
$132
13%

Parks
$124
12%

City of **Kelowna**

General and Utility Funds Total $1.053 B

INVESTMENT NEW, GROWTH & RENEWAL
($millions)

Growth

$535

51%

New

$203

19%

Renew

$315

30%

Total $1.053 B

City of **Kelowna**

PROJECTED OPERATIONS & MAINTENANCE
(New and Growth Infrastructure)

Year	Amount
2018	~$655,000
2019	~$1,155,000
2020	~$1,395,000
2021	~$1,095,000
2022	~$1,540,000
2023	~$1,460,000
2024	~$815,000
2025	~$1,430,000
2026	~$780,000
2027	~$695,000
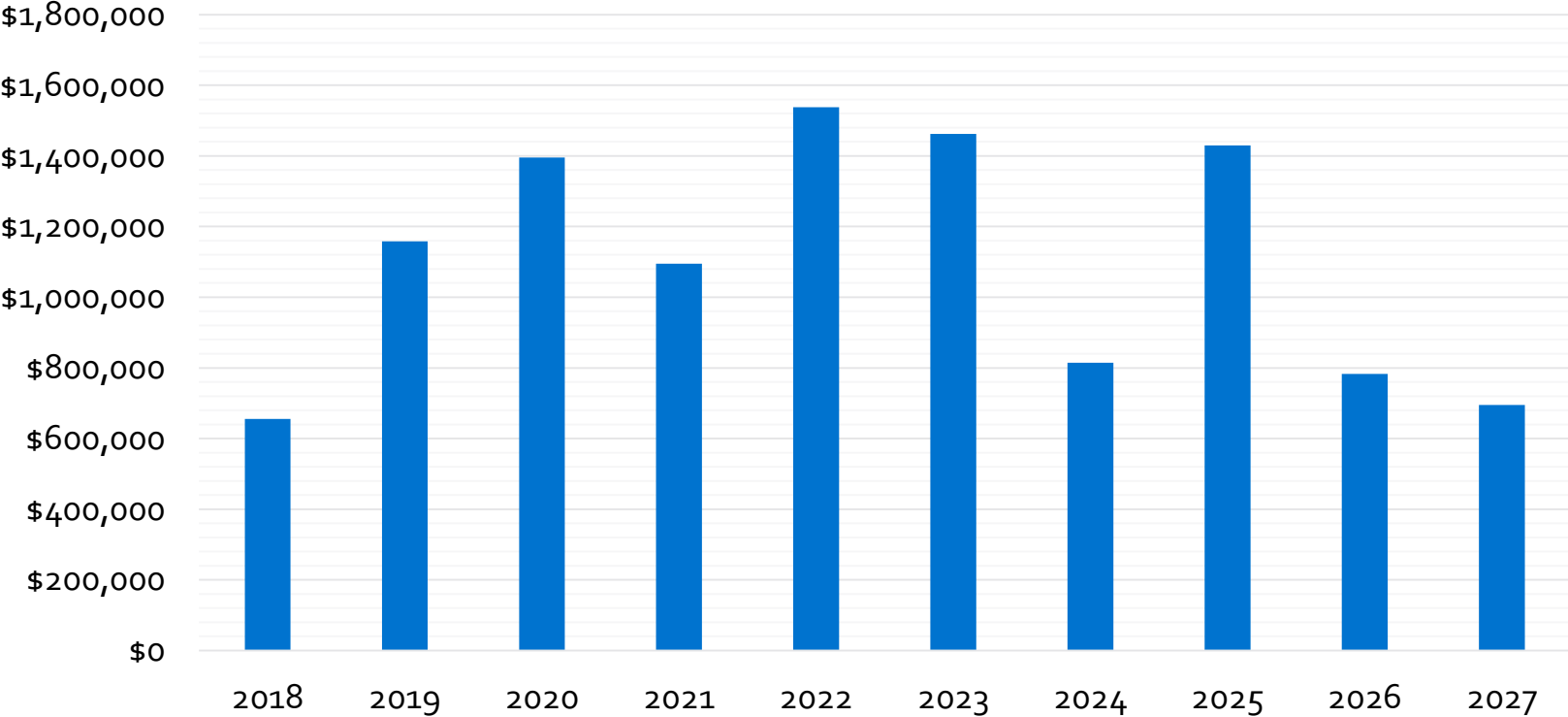
Additional Funding for O&M by 2027 = $11.6 million

City of **Kelowna**

FUNDING SOURCES

Pie chart showing funding sources:
- Development Cost Charges $135 21%
- Borrowing $98 15%
- Developer/Other $26 4%
- Utilities $7 1%
- General Taxation $159 25%
- Community Works Fund (Gas Tax) $55 9%
- Municipal Works Reserve $14 2%
- Other Reserves $151 23%
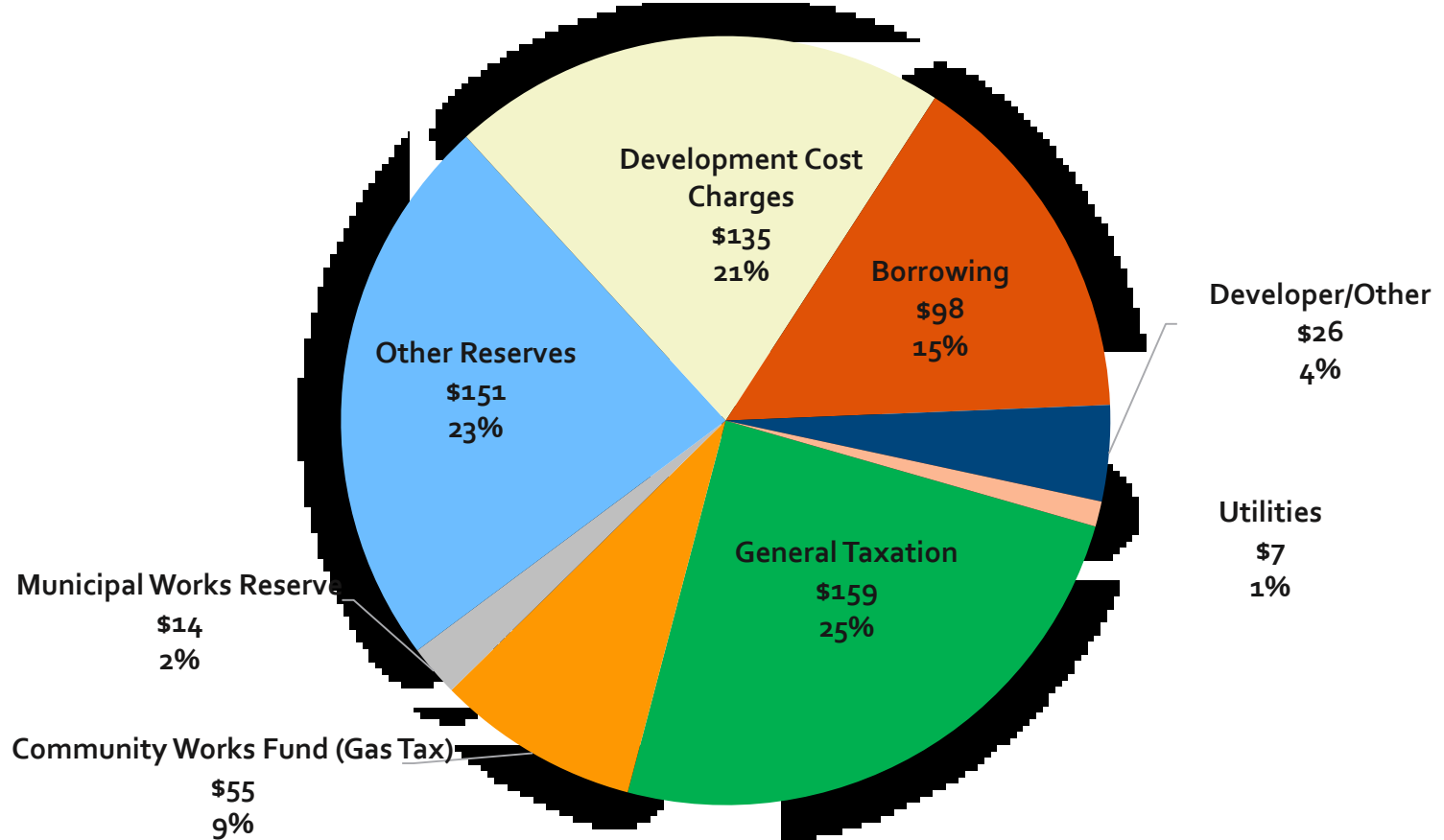
Cost Centre	Funding (million)
General Fund	$645
Water & Wastewater	$149
Airport	$259
Total	$1,053

Changes from 2030 Infrastructure Plan

▶ Airport Capital added

▶ Pay-as-you go capital less than forecast

▶ Municipal Works Reserve added

▶ Increased infrastructure construction costs

▶ Investment in infrastructure renewal reduced

▶ Rutland Centennial Park deferred from 2020 – 2022

▶ Sidewalk network expansion reduced

▶ Art Walk and MRP – Artificial Turf moved to P2 to accommodate GRP
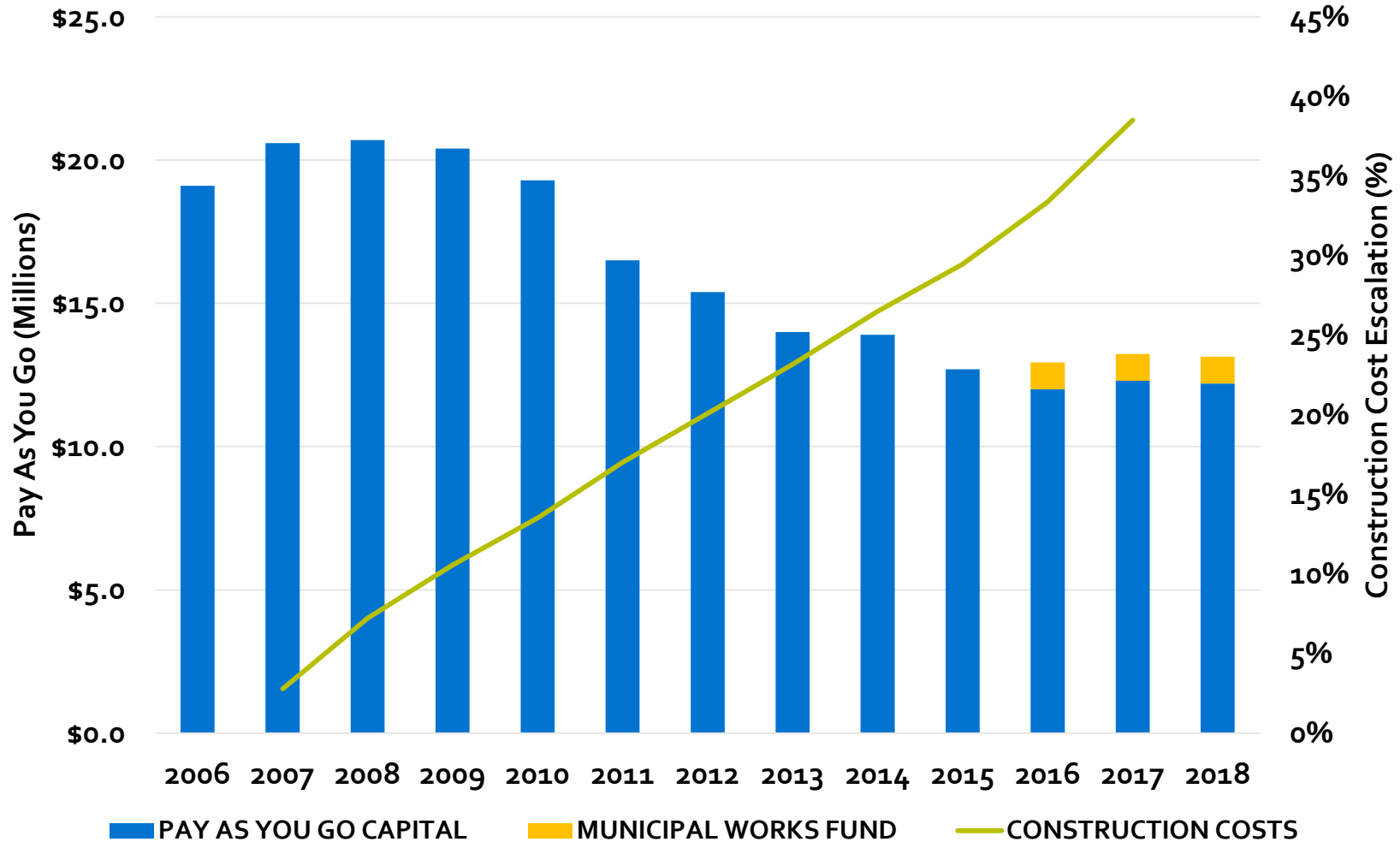

City of **Kelowna**

CHALLENGES

- ▶ Pay-As-You-Go Capital

- ▶ Increasing Construction Costs

- ▶ Demand for Services

- ▶ Aging Infrastructure

- ▶ Effects of Climate Change

- ▶ Rapid Growth

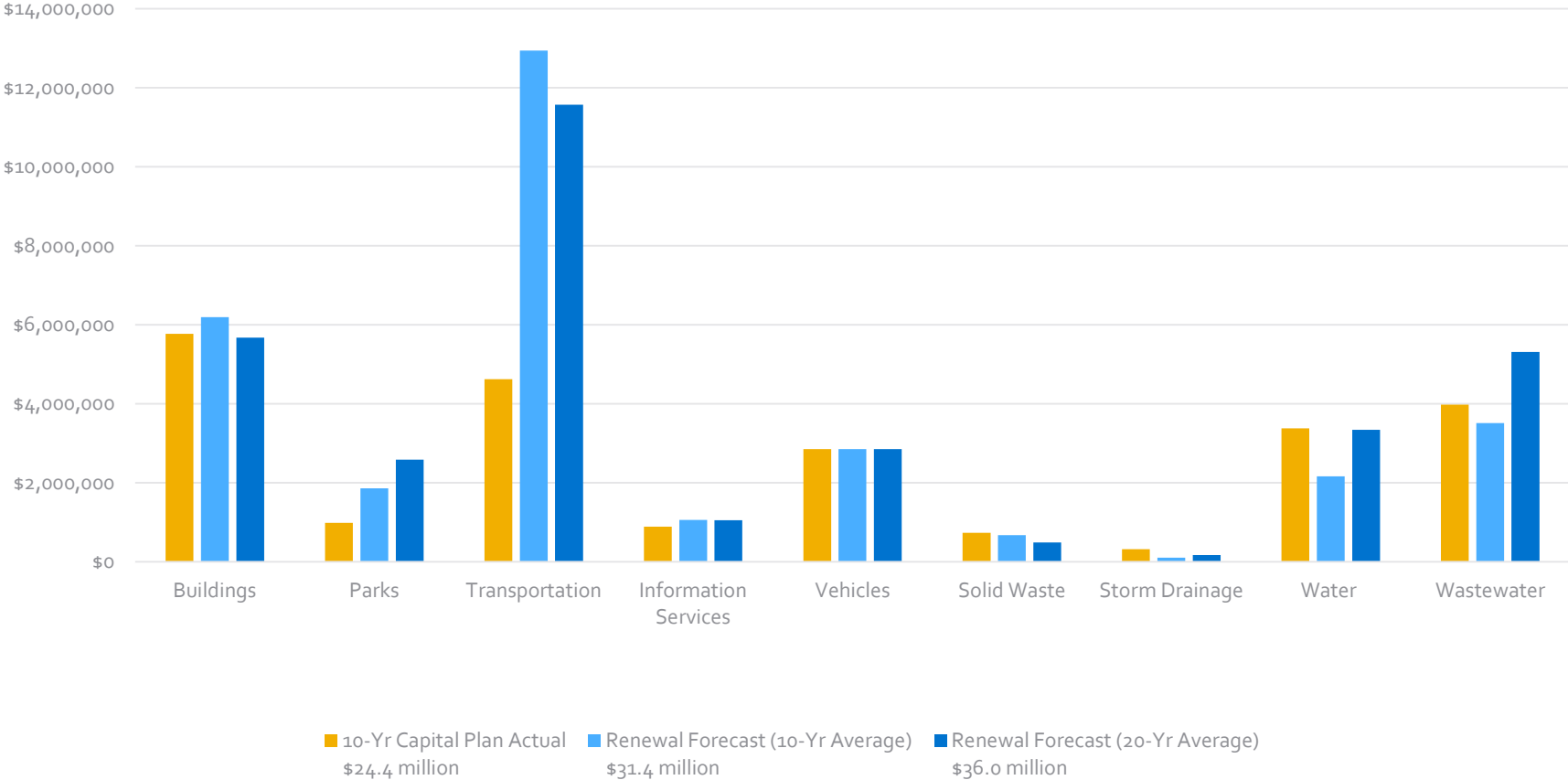- ▶ Regulatory

- ▶ Technological Change

City of **Kelowna**

PAY AS YOU GO CAPITAL VS CONSTRUCTION COSTS

City of **Kelowna**

Average Annual Investment for Infrastructure Renewal

Average Annual Investment for Infrastructure Renewal

Legend:
- ■ 10-Yr Capital Plan Actual — $24.4 million
- ■ Renewal Forecast (10-Yr Average) — $31.4 million
- ■ Renewal Forecast (20-Yr Average) — $36.0 million

City of **Kelowna**

INVESTMENT PRIORITY 1 AND PRIORITY 2

(in millions)

Category	Priority 1 ($571M)	Total Requirement (P1 & P2, $1,049M)
Real Estate & Parking	$35	$55
Buildings	$148	$248
Parks	$124	$220
Transportation	$199	$456
Storm Drainage	$12	$13
Info. Serv.	$15	$18
Vehicles	$40	$40
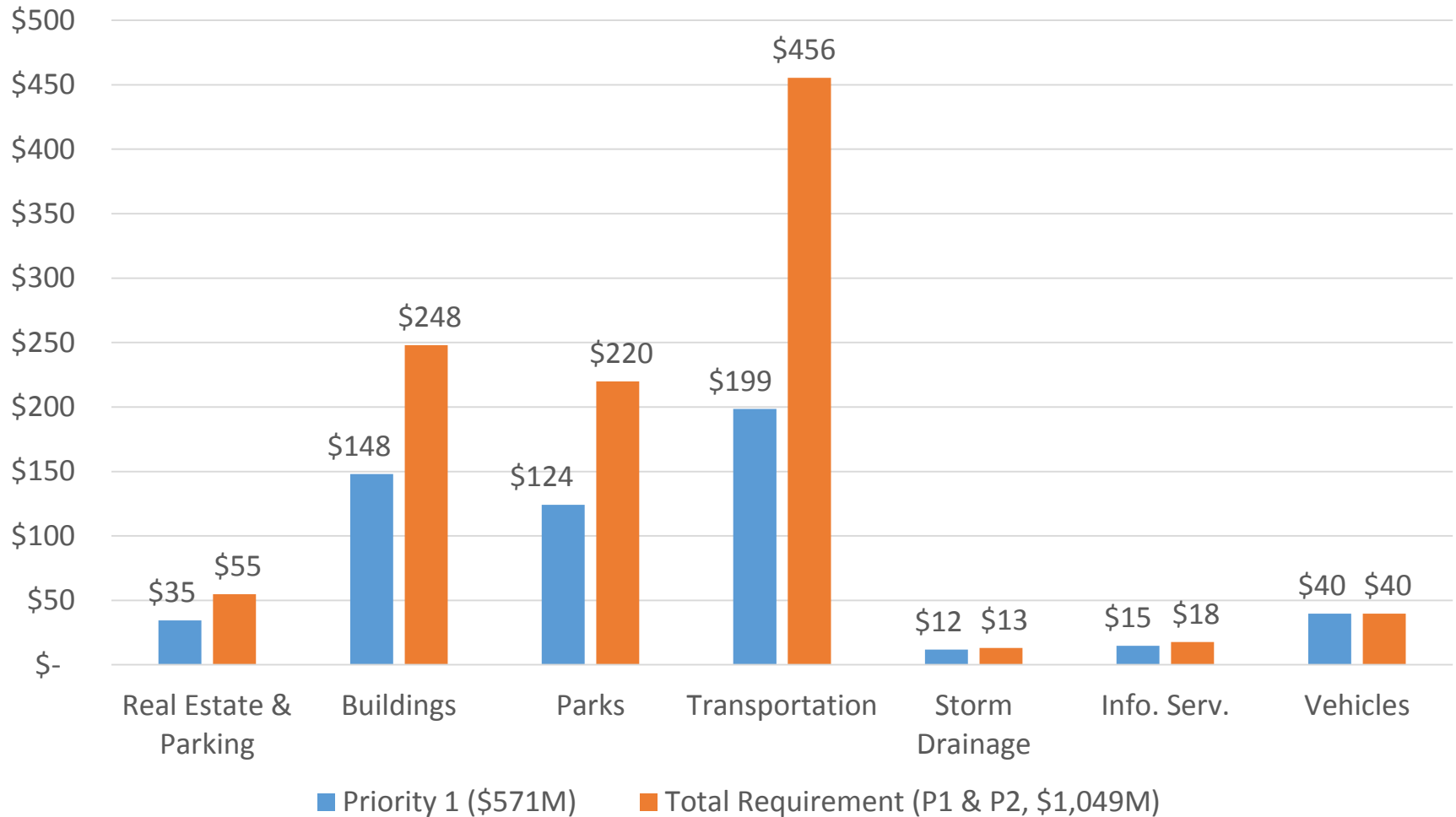
City of **Kelowna**

Questions?

For more information, visit **kelowna.ca**.