

Report to Council



Date: June 24, 2019
File: 1405-06
To: City Manager
From: Transit and Programs Manager
Subject: 2019 Transit Capital Program Reprioritization and Transit Reserve Funding Request

Recommendation:

THAT Council receive the report from the Transit and Programs Manager dated June 24, 2019 with respect to the 2019 Transit Capital Program Reprioritization and Transit Reserve Funding Request;

AND THAT the 2019 Financial Plan be amended to reflect the cancellation and re-assignment of transit capital funds, and to accommodate the request for \$100,000 from the Transit Reserve.

Purpose:

To inform Council of the rationale for the proposed reprioritization of 2019 transit capital projects and request additional funding from the Transit Reserve.

Background:

In 2018, the Province of British Columbia entered into an Integrated Bilateral Agreement with the Government of Canada for Investing in Canada Infrastructure Program (ICIP) funding. The public transit stream of the program includes \$2.7 billion in funding allocated between BC Transit¹ and Translink based upon ridership in each of these systems. Under the agreement, the Federal Government will fund between 40% and 50% of eligible projects with the Province contributing a minimum of 33.33%. Local government partners are required to contribute the remainder for projects under consideration within their region. A portion of ICIP funds will support important BC Transit system-wide initiatives such as modernization of the transit fare system. Several transit infrastructure projects throughout the Central Okanagan have been identified as candidates for ICIP funding over the horizon of the program. Successful application for Federal funding depends upon BC Transit and partner communities having certainty that projects can be successfully delivered within the horizon of the funding program. Projects must be substantially completed by Fall 2027. In preparation for applications for initial candidate projects in Kelowna, further analysis, design and stakeholder consultation is required. While costs associated with preliminary project scoping is not recoverable for projects not yet approved for ICIP funding, it is a necessary step to increase the likelihood of success of applications.

¹ BC Transit represents all transit systems that operate outside of the Translink service area in the Lower Mainland.

Capital Funding Request

The current Transit Operations and Maintenance Centre facility at 1494 Hardy Street, has been in operation for over 25 years and is now at capacity for bus maintenance and repair, bus storage, fueling, supply and equipment storage, and administration space. The current site is constrained in terms of available land, with a large portion of bus storage temporarily located on future road right of way for the Central Okanagan Multi Modal Corridor (COMMC). A 2013 Facilities Study commissioned by BC Transit concluded, *"The facility on Hardy Street will be unable to sustain continued growth of the transit system in this region ... As there is no opportunity to expand the site due to adjacent property restrictions, consideration should be made to the eventual construction of either a secondary site, or a single consolidated facility to replace the existing one."* In 2016, \$325,000 of federal gas tax funds were invested to extend the life of the facility by 5-6 years in anticipation of the upcoming PTIF (now ICIP) federal/provincial transit funding program.

The City's Real Estate Department conducted a comprehensive property search to identify potential replacement sites for the transit operations centre. Several sites, including both City-owned and privately held land assemblies were identified and analyzed for location, cost, ease of acquisition, and other site characteristics. The 2017 strategic acquisition of 4670 Hwy 97 N (the former Serwa property) has provided the most suitable option given cost, location, property size, and future expansion capability.

The site is presently within the ALR and zoned A1 for agricultural use, however the Official Community Plan (OCP) designates the future land use as Industrial. Application for ALR exclusion is planned. Upon successful application for exclusion from the ALR, subsequent planning and development applications will be required.

To secure project funding through the Investing in Canada Infrastructure Program (ICIP), a joint study (co-funded by BC Transit) for site location, cost analysis and proof of concept for construction is required. This study will also form a part of project approval processes and potential future funding opportunities and application requests. On a 50/50 basis, the City of Kelowna's contribution is set at \$100,000 of the full study cost of \$200,000. This study's site analysis work will include future road alignment options for Hollywood Road which will bisect the property; basic geotechnical analysis; preliminary transit operations center layout options including buildings, parking, utility locations, water and drainage, and access and egress points. This work will allow for improved accuracy in developing total buildout costs for use in the ultimate funding application. The proposed funding source for the City's portion of the initial study is the Transit Reserve.

Capital Projects Reprioritization

The 2019 Transit Capital Program includes projects categorized by New Transit Equipment and Transit Equipment Renewal totaling \$325,000 in 2019. A total of \$195,000 is proposed to be reallocated toward scoping four additional ICIP candidate projects. Projects proposed to be cancelled for the current year are those deemed lower priority and/or determined to be best delivered in coordination with other works in the future.

Current 2019 transit capital budget allocation
(projects in bold are proposed to be deferred)

Project	Scope	Budget
Glenmore/High bus bay	Design/construct - pull out, passenger boarding platform and amenities	\$100,000
Rutland Rd/RSS bus stop	Construct – new stop, repurposed bus shelter	\$20,000
Springfield/Richter bus stop	Design/construct – enhance stop – passenger boarding platform, bench seating	\$20,000
KLO/Casorso bus stop	New transit shelter on existing platform	\$25,000
Springfield/Ethel bus stop	Construct – passenger boarding platform, bench seating.	\$10,000
Rutland/Gray bus stop improvement	Design/feasibility review, construct – stop enhancement – platform, shelter	\$35,000
Highway 33/Kneller bus stop improvement	Design/construct – stop safety enhancement – new shelter back of sidewalk	\$35,000
Highway 33/Oswell bus stop improvement	Design/construct – stop safety enhancement – relocate shelter back of sidewalk	\$10,000
Glenmore/Bernard bus stop improvement	Design/feasibility review, construct – passenger boarding platform, bench seating	\$60,000
Bus stop signage, general amenities	Annual transit signage program & minor improvements	\$10,000

ICIP Candidate Projects

The four additional candidate projects proposed to be studied further to assess feasibility and explore preliminary design options are shown below. Each project is further detailed in the appendix 'Initial ICIP Projects in Kelowna' accompanying this report.

Project	Description	Objectives
Orchard Park Exchange & Mobility Hub	Facility renewal and mobility integration	Expand capacity, improve efficiency, safety, amenities. Explore design, placement, layout options.
Rutland Park & Ride/Mobility Hub	Dedicated Park & Ride area, mobility integration	Facilitate auto and micro-mobility access to high-order transit services at Rutland Exchange from outlying areas.
Mission Rec Exchange, Park & Ride/Mobility Hub	Facility relocation and mobility integration	Reduce annual operating costs, address current bus/vehicle conflicts & maintenance challenges, support future service expansions.
YLV Transit Stations	Improved transit infrastructure in support of future service growth	Coordination with YLV ground-side and Okanagan Gateway studies. Support future transit service expansions.

Council's approval of the 2019 budget amendment is requested.

Internal Circulation:

Real Estate Department Manager
Communications Advisor, Community Engagement
Divisional Director, Infrastructure
Financial Planning Manager
Integrated Transportation Department Manager
Infrastructure Engineering Manager
Airport Operations Manager

Financial/Budgetary Considerations:

1. A request for the 2019 Financial Plan to be amended to fund the \$100,000 ICIP joint study project from the Transit Reserve;
2. Summary of Budget Amendment Request to transfer budget to fund ICIP projects.

2019 Transit Capital Projects (transferred from)	2019 Current Budget	2019 ICIP Candidate Projects (transferred to)	2019 Proposed Budget
Glenmore Rd at High Rd - Major Bus Stop	\$100,000	Orchard Park Exchange & Mobility Hub	\$140,000
Rutland Rd S at Gray Rd	\$35,000	Rutland Park & Ride/Mobility Hub	\$15,000
Glenmore Rd at Bernard Ave	\$60,000	Mission Rec Exchange, Park & Ride/Mobility Hub	\$25,000
		YLW Transit Stations	\$15,000
Total Amount to be Transferred	\$195,000		\$195,000

Considerations not applicable to this report:

Alternate Recommendation
Communications Comments
Existing Policy
External Agency/Public Comments:
Legal/Statutory Authority
Legal/Statutory Procedural Requirements
Personnel Implications

Submitted by:



J. Dombowsky, Transit and Programs Manager

Reviewed & approved by: R. Villarreal, Department Manager, Integrated Transportation

Approved for inclusion:



A. Newcombe, Divisional Director, Infrastructure

Attachment 1 – Initial ICIP Projects in Kelowna 2019-06-17

Attachment 2 – 2019 Transit Capital Program Reprioritization and Transit Reserve Funding Request
Presentation

cc: Divisional Director, Corporate Strategic Services
Divisional Director, Financial Services
Divisional Director, Infrastructure
Divisional Director, Partnership and Investments
C. Fudge, Regional Transit Manager, BC Transit
M. Boyd, Planning Manager, BC Transit