



# CITY MANAGER MESSAGE

## MAY 2020



The COVID-19 pandemic is a health crisis without precedent in our recent history. First and foremost, our hearts go out to all who have been affected in any way, shape or form. Our thanks go out to all the front-line workers in our community who keep us healthy and safe.

This shifting reality has created complex challenges for families, businesses and many other organizations in our community, including for the City of Kelowna. The 2020 Final Budget reflects our anticipated financial outlook as a result of losses of revenues, the need to maintain essential services for residents and in order to respond to an ever-evolving situation.

In response, and with strategic and methodical consideration, significant adjustments have been made from the Provisional Budget and I am pleased to present Council with the 2020 Final Budget and Five-Year Financial Plan. The adjustments still ensure that we are: enhancing the most important services needed in our community where we can,

maintaining necessary programs, protecting our infrastructure and providing the best value for our citizens. We also have our eye on economic recovery and will continue to invest in important projects that will make a difference for our residents, post-pandemic.

Some of the adjustments made in the 2020 Final Budget include:

- The elimination or deferral of 11 new positions that were approved in the Provisional Budget.
- The deferral of planned capital projects such as the Central Okanagan Rugby Fieldhouse in Rutland Recreational Park; the KLO Rd Mission Creek Bridge replacement and the Houghton Road Active Transportation Development.

The annual budget is one of several financial strategies we are using to help manage the impact of the pandemic. We maintain our ongoing objective to seek partnerships and alternative sources of funding in order to reduce our reliance on taxation. On average, only one-third of the City's budget is funded from taxation. In 2020, taxation for the City of Kelowna will account for 25 per cent of the City's total revenue budget needed to deliver services to residents. The other 75 per cent will come from other sources including grants, user fees and charges, reserves and borrowing, if necessary.

While we continue to develop plans and solutions for the short and the long term, we recognize that the situation is changing rapidly and that there may be additional financial needs to come if the crisis extends longer than anticipated or takes on a new and unexpected twist. Financial models and revenue and expenditure forecasts will be updated to include new information, incorporating COVID-19 responses to ensure that the City's financial plans remain as agile as possible, keeping Kelowna a robust and financially resilient municipality.

Through our strong financial management and clear budgeting processes, we will weather this storm, delivering the services residents expect of us while we maintain, expand and build new infrastructure that makes Kelowna a great place to live, visit and conduct business.

**DOUG GILCHRIST**

 City Manager, Kelowna





City of  
**Kelowna**



# 2020 Financial Plan

Kelowna, British Columbia

Final - Volume 3



## FINANCIAL SUMMARIES

The 2020 Financial Plan results in a Final Tax Demand of \$148.8M. This represents a decrease of \$2.5M relative to the 2020 Provisional Financial Plan, and an increase of \$0.5M of taxation revenue from new construction.

**The impact to the average property owner is 2.05 per cent.**

The COVID-19 pandemic of 2020 has created complex challenges for the City of Kelowna and its citizens. The annual budget is one of several financial strategies being used by the City to help manage the impact of this pandemic. Through the Final Budget, the City has re-aligned the 2020 Financial Plan to reduce the taxation demand to accommodate a significant loss of revenues while still maintaining essential services and continued investment in important projects.

The reduction of the Provisional Budget net property owner impact to 2.05 per cent, from 4.15 per cent, is the result of reduced budgets for new capital projects, the deferment or elimination of new positions and the reduction of operational budgets across all City divisions.

### Final Budget summaries

#### Analysis of tax demand (\$ thousands)

The 2019 final tax demand was \$142.5M and had a 4.10 per cent net property owner impact. The final 2020 gross department operating expenditures increased by 0.77 per cent and net department revenues decreased by 7.45 per cent. The net general debt increased by 0.56 per cent, capital expenditures from general taxation decreased by 31.09 per cent and general revenue decreased by 0.53 per cent for a total gross tax demand increase of \$6.3M.

	2019	2020	Change	%Change
Gross departmental operating expenditures	250,960	252,886	1,927	0.77%
Net departmental revenue	(115,463)	(106,861)	8,602	(7.45%)
<b>Net departmental operating expenditure</b>	<b>135,497</b>	<b>146,026</b>	<b>10,529</b>	<b>7.77%</b>
Net general debt	4,425	4,450	25	0.56%
Capital expenditures from general taxation	13,802	9,510	(4,292)	(31.09%)
General revenue	(11,199)	(11,139)	60	(0.53%)
<b>Gross tax demand</b>	<b>142,525</b>	<b>148,847</b>	<b>6,322</b>	<b>4.44%</b>
Less new construction value	(3,570)	(3,400)	170	(4.76%)
<b>Net taxation demand</b>	<b>138,955</b>	<b>145,447</b>	<b>6,492</b>	<b>4.67%</b>
<b>Net property owner impact</b>	<b>4.10%</b>	<b>2.05%</b>		<b>(2.05%)</b>

Note: Totals may not add due to rounding

### General Fund tax demand (\$ thousands)

The tax demand established at Provisional Budget was \$151.3M. The estimated new construction revenue was \$2.9M, based on BC Assessment preliminary roll information, resulting in a 4.15 per cent net property owner impact.

Final Budget requests for net general fund operating and capital expenditures have decreased by \$2.5M, decreasing the total tax demand to \$148.8M. Final new construction revenues, based on the revised assessment roll, increased by \$0.5M to \$3.4M resulting in a 2.05 per cent net property owner impact.

<b>Provisional Budget Tax Demand</b>			151,345
<b>Final Budget Submissions</b>			
General Revenues	0		
Operating Requests	2,586	2,586	
Capital Project Requests		(5,084)	
<b>Total Final Budget Additions</b>			(2,498)
<b>Final Gross Tax Demand</b>			<b>148,847</b>
Less new construction revenue			(3,400)
<b>Final Net Tax Demand</b>			<b>145,447</b>
<b>Net Property Owner Impact</b>			
Provisional Budget		4.15%	
<b>Financial Plan - Final Budget</b>			<b>2.05%</b>

### Utility Funds – Final Budget (\$ thousands)

Final Budget requests for utility fund operating and capital expenditures total a reduction of \$0.9M; all for the Wastewater Utility.

<b>Final Budget Submissions</b>			
Revenue	0		
Operating Requests	(182)	(182)	
Capital Project Requests		(750)	
<b>Total Final Budget Additions</b>			<b>(932)</b>

Note: Totals may not add due to rounding

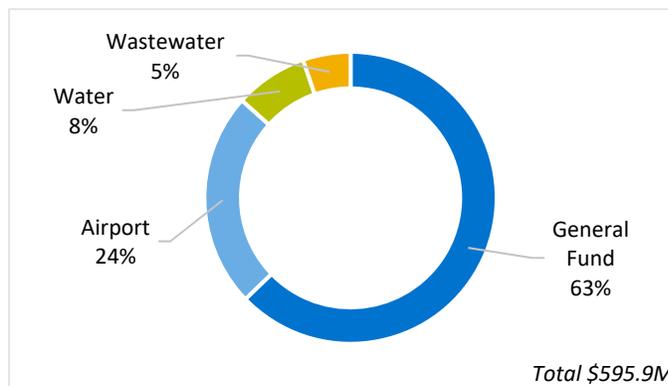
### Analysis of total revenues

The total revenue budget is \$595.9M with \$357.6M from operating sources and \$238.3M from capital sources.

The table below summarizes the total operating and capital revenue sources by fund and includes the prior year's carryover amounts.

Revenues by fund (\$ thousands)

	Operating	Capital
General Fund	258,665	115,693
Airport	54,074	87,943
Water	21,176	26,945
Wastewater	23,670	7,771
<b>Total revenues by fund</b>	<b>357,586</b>	<b>238,352</b>

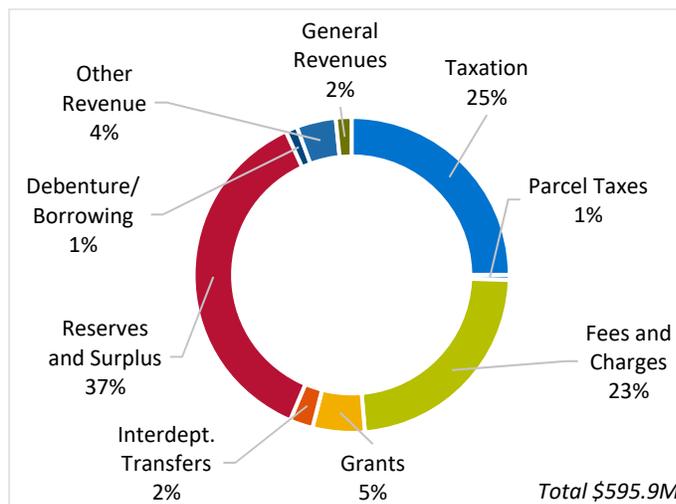


Note: Totals may not add due to rounding

This next table summarizes the same revenue information by source.

Revenues by type (\$ thousands)

Taxation	148,847
Parcel Taxes	3,142
Fees and Charges	137,762
Grants	31,830
Interdept. Transfers	14,118
Reserves and Surplus	219,155
Debenture/Borrowing	7,159
Other Revenue	23,980
General Revenues	9,946
<b>Total revenues by type</b>	<b>595,938</b>



Note: Totals may not add due to rounding

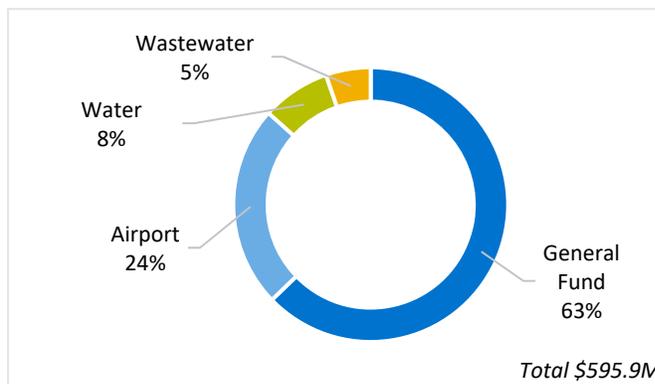
### Analysis of total expenditures

The total expenditure budget requirement is \$595.9M with \$351.2M for operating needs and \$244.7M for the 2020 capital program.

The table below summarizes the total operating and capital expenditures by fund and includes the prior year's carryover amounts.

Expenditures by fund (\$ thousands)

	Operating	Capital
General Fund	258,665	115,693
Airport	54,074	87,943
Water	17,644	30,477
Wastewater	20,867	10,574
	<u>351,250</u>	<u>244,688</u>
<b>Total expenditures by fund</b>	<b>595,938</b>	

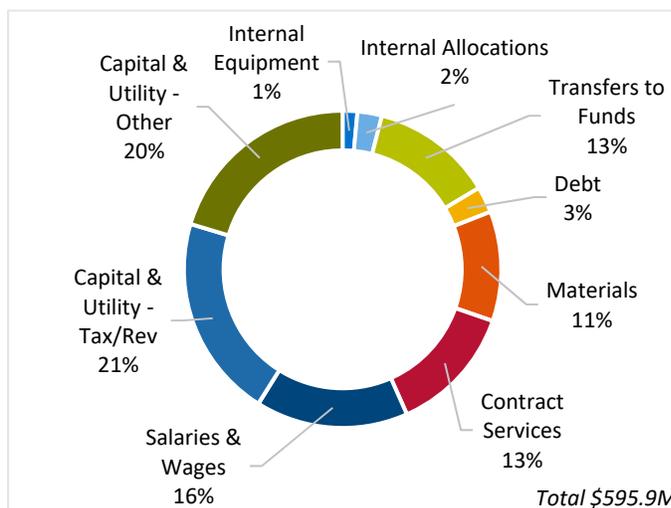


Note: Totals may not add due to rounding

This next table summarizes the same total operating and capital expenditure information by type.

Expenditures by type (\$ thousands)

Internal Equipment	8,938
Internal Allocations	14,807
Transfers to Funds	74,440
Debt	15,896
Material	66,632
Contract Services	77,943
Salaries & Wages	92,594
Capital & Utility Tax/Rev	123,271
Capital & Utility - Other	121,417
<b>Total expenditures by type</b>	<b>595,938</b>



Note: Totals may not add due to rounding

## Use of tax dollar by service area

The table below highlights the cost by service area and the resulting total municipal taxes and fees for the average single family detached residential property in Kelowna for 2020. The average assessed value of a single family detached residence is \$676,100 in 2020, as obtained from BC Assessment. The service area with the highest cost is Community Safety, including RCMP, at 30.5 per cent, followed by the Fire Department at 14.8 per cent and Parks Services at 13.1 per cent.

Service area	Cost	Percent of		Percent in	
		Total		2019	
Community Safety	645.93	30.5	%	27.9	%
Fire Department	313.15	14.8		14.7	
Civic Operations					
Street Lights	29.05	1.4		1.5	
Building Services	107.03	5.1		6.0	
Parks Services	276.80	13.1		13.4	
Transportation Services	217.71	10.3		11.3	
Utility Services	34.99	1.7		2.5	
Planning & Development	114.66	5.4		6.7	
Active Living & Cultural Services	106.22	5.0		5.3	
Regional Programs	10.81	0.5		0.5	
Public Transit	142.37	6.7		4.5	
Debt	67.62	3.2		3.3	
Grants or transfers to external organizations or individuals	48.36	2.3		2.4	
<b>Total Municipal portion of taxes</b>	<b>2,114.69</b>	<b>100.0</b>	<b>%</b>	<b>100.0</b>	<b>%</b>

*Based on the 2020 average single family detached residence assessed property value of \$676,100*

Note: Totals may not add due to rounding

## Ongoing budget impacts

The ongoing impacts resulting from prior year Council approved operating requests have been summarized in the table below and projects a 5.33 per cent increase for 2021 and a 5.58 per cent increase for 2022.

The B.C. Ministry of Municipal Affairs and Housing, Local Government Division, has announced that if the COVID-19 situation has impaired normal budgeting process, local governments can adopt a 2020-2024 Financial Plan based on year-two of the previous year's plan with alterations deemed appropriate for the upcoming years. Government Finance Officers Association (GFOA) best practice for Financial Forecasting in the Budget Preparation Process states "an effective forecast allows for improved decision-making in maintaining fiscal discipline and delivering essential community services"<sup>1</sup>.

As the financial implications of COVID-19 are not fully understood at this time, the City of Kelowna is maintaining the five year forecast envisioned before the start of the pandemic. All financial models will be updated over the following year to include new information as it becomes available.

	2020	2021	2022
General revenues	(11,139,249)	(11,431,881)	(11,658,263)
Net operating budget	150,475,964	159,797,554	170,182,216
Pay-as-you-go capital	9,510,000	10,475,130	11,365,130
Taxation demand	<b>148,846,715</b>	<b>158,840,803</b>	<b>169,889,083</b>
New construction tax revenue	(3,400,000)	(2,054,085)	(2,192,003)
<b>Net property owner impact</b>	<b>2.05%</b>	<b>5.33%</b>	<b>5.58%</b>

Note: Totals may not add due to rounding

<sup>1</sup> *Financial Forecasting in the Budget Preparation Process*, Government Finance Officers Association, viewed April 2020, <<https://www.gfoa.org/print/1746>>.

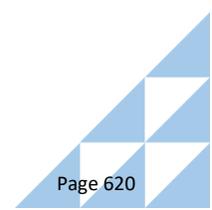
## Financial Plan 2020 - 2024

The table below outlines the City's Five-Year forecast for all funds revenues and expenditures for 2020 – 2024. The years 2025 - 2030 are included in summary form to match the term of the 20-Year Servicing Plan. For detailed information see the Five-Year Financial Plan section of the 2020 Financial Plan.

	2020	2021	2022	2023	2024	2025-2030
<b>Revenue</b>						
Property Value Tax	148,846,715	158,840,803	169,889,083	180,701,236	186,912,094	1,258,461,927
Library Requisition	6,813,500	6,949,770	7,088,765	7,230,540	7,375,151	47,453,812
Parcel Taxes	3,142,381	3,426,422	3,451,487	3,475,016	3,494,169	17,620,276
Fees and Charges	137,762,227	148,020,158	151,658,903	155,045,322	158,678,327	1,033,087,639
Borrowing Proceeds	7,158,600	22,780,000	73,416,723	46,985,000	6,747,500	26,182,034
Other Sources	73,059,386	50,037,664	60,818,742	51,459,479	68,468,325	414,885,398
	376,782,809	390,054,817	466,323,703	444,896,593	431,675,566	2,797,691,086
<b>Transfer between Funds</b>						
Reserve Funds	2,452,188	1,187,648	1,187,648	972,920	972,920	5,837,520
DCC Funds	31,044,365	14,550,553	19,563,296	20,379,078	25,431,239	155,527,686
Surplus/Reserve Accounts	185,658,769	64,453,198	74,837,863	49,854,898	61,020,999	254,206,738
	219,155,322	80,191,399	95,588,807	71,206,896	87,425,158	415,571,945
<b>Total Revenues</b>	<b>595,938,131</b>	<b>470,246,216</b>	<b>561,912,510</b>	<b>516,103,489</b>	<b>519,100,724</b>	<b>3,213,263,030</b>
<b>Expenditures</b>						
Municipal Debt						
Debt Interest	4,167,837	4,583,941	6,305,472	7,582,916	7,764,788	43,792,164
Debt Principal	11,728,562	9,234,572	11,880,905	12,370,915	12,614,868	65,340,043
Capital Expenditures	244,687,850	115,720,533	196,880,227	135,532,413	130,275,942	681,112,978
Other Municipal Purposes						
General Government	29,511,968	30,369,017	31,212,785	32,087,713	32,987,325	217,993,213
Planning, Development & Building Services	29,832,174	25,982,788	26,471,863	27,263,536	28,091,066	186,072,644
Community Services	89,673,511	91,040,530	93,255,538	94,702,682	97,557,258	647,676,400
Protective Services	67,552,682	75,679,542	80,357,259	84,641,683	87,451,072	587,665,165
Utilities	25,707,690	21,754,806	22,162,986	22,745,803	23,347,904	153,576,252
Airport	18,636,279	18,954,304	19,517,299	20,108,299	20,719,244	138,010,202
	521,498,553	393,320,033	488,044,334	437,035,960	440,809,467	2,721,239,060
<b>Transfers between Funds</b>						
Reserve Funds	23,769,899	26,015,742	26,097,881	27,335,530	27,339,597	162,234,170
DCC Funds	0	0	0	0	0	0
Surplus/Reserve Accounts	50,669,679	50,910,441	47,770,295	51,731,999	50,951,660	329,789,800
	74,439,578	76,926,183	73,868,176	79,067,529	78,291,257	492,023,970
<b>Total Expenditures</b>	<b>595,938,131</b>	<b>470,246,216</b>	<b>561,912,510</b>	<b>516,103,489</b>	<b>519,100,724</b>	<b>3,213,263,030</b>



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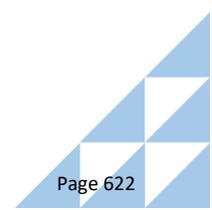


# Operating Budget





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## 2020 Operating Requests Final Budget Summary

Page	Description	Cost	Reserve	Borrow	Gov/Contr	Revenue	Utility	Taxation	Cat
624	Compensation Adjustments			0	0				OG/OT
624	Operational Adjustments	90,320		0	0	77,400	142,720	1,831,300	OG/OT
625	Program Adjustments	(598,000)	(3,494,600)	0	0	10,085,800	0	(5,993,200)	OG/OT
625	Transmission of Taxes - BIA's and Other Governments	109,361,100	0	0	0	(109,361,100)	0	0	OT
626	Prospera Place Arena Building Reserve	(429,000)	429,000	0	0	0	0	0	OG
CAP	Operating Impacts for Capital	(110,400)	0	0	0	0	0	110,400	OG
Grand Total		104,448,280	(2,867,600)			(99,177,100)	182,320	(2,585,900)	

CAP - denotes operating request that has been moved to the capital section

Utility total above consists of \$89,630 for Water fund and \$92,690 for Wastewater fund

## 2020 Operating Request Details

Division:	City Manager	Priority: 1	Maintain
Department:	City Manager		<b>ON-GOING</b>
Title:	Compensation Adjustments		FINAL

### Justification:

Being fiscally responsible will help to buffer the economic impacts from the COVID-19 pandemic. In response to the changing economic conditions, the city has found a number of ways to reduce compensation costs. The majority of the reductions included in this request are the cancellation of some new positions approved in the 2020 Provisional Budget as well as a one-time reduction of summer students and term position budgets.

### Strategic Direction: Other - Extraordinary or Unforeseen Obligation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(1,585,100)	59,100	0	0	0	20,800	39,600	1,465,600
2021	(1,204,900)	76,100	0	0	0	(200)	58,800	1,070,200
2022	(1,101,100)	76,300	0	0	0	0	38,200	986,600

Division:	City Manager	Priority: 1	Maintain
Department:	City Manager		<b>ON-GOING</b>
Title:	Operational Adjustments		FINAL

### Justification:

Being fiscally responsible will help to buffer the economic impacts from the COVID-19 pandemic. In response to the rapidly evolving economy, the City has found a number of ways to be flexible and to adapt various operations. To offset the lost revenues and to reduce the tax demand, all City Divisions have reduced their operational budgets while minimizing impacts to service levels. Reductions include professional and consulting services, materials and supplies and staff training budgets. These reductions will assist with reducing the financial burden on the City's taxpayers.

### Strategic Direction: Other - Extraordinary or Unforeseen Obligation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(2,190,320)	138,900	0	0	0	77,400	142,720	1,831,300
2021	(643,520)	1,800	0	0	0	(9,000)	44,220	606,500
2022	(643,520)	1,800	0	0	0	(9,000)	44,220	606,500

## 2020 Operating Request Details

Division:	City Manager	Priority: 1	Maintain
Department:	City Manager		ON-GOING
Title:	Program Adjustments		FINAL

### Justification:

Significant revenue reductions are expected for many civic services including recreation facilities, transit and casino revenue due to the COVID 19 pandemic. City programs have been reviewed and both revenue and expenditure budgets are being requested to be adjusted to reflect this analysis. These program changes are a result of closures due to direction from the Provincial Health Ministry Authority, reduction in demand, or a change in priorities for 2020 budget year.

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(598,000)	(3,494,600)	0	0	0	10,085,800	0	(5,993,200)
2021	449,500	(1,615,500)	0	0	0	1,857,300	0	(691,300)
2022	449,500	(1,615,500)	0	0	0	1,857,300	0	(691,300)

Division:	Financial Services	Priority: 1	Maintain
Department:	Financial Services		ONE-TIME
Title:	Transmission of Taxes - BIA's and Other Governments		FINAL

### Justification:

To establish the receipt and disbursement of taxes to Business Improvement Areas (BIA) and other governments: Regional District of Central Okanagan (RDCO) (\$12,004,100); RDCO SIR Land Levy (\$747,800); RDCO SIR Parcel Tax (\$292,900); BC Assessment Authority (\$2,261,800); School Tax (\$71,595,900); Additional School Tax (\$1,271,300); Kelowna Downtown BIA (\$1,067,300); Uptown Rutland BIA (\$189,700); Regional Hospital (\$13,116,800); and Okanagan Regional Library (\$6,813,500). The total amount to be collected for all other taxing authorities is \$109,361,100.

Strategic Direction: Financial management - Cost to deliver services is quantified

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	109,361,100	0	0	0	0	(109,361,100)	0	0

## 2020 Operating Request Details

Division:	Active Living & Culture	Priority: 1	Maintain
Department:	Sport & Event Services		ON-GOING
Title:	<b>Prospera Place Arena Building</b> Reserve		FINAL

### Justification:

In 2019 Council approved the lump-sum pre-payment for community-use time in the Prospera Place Arena as analysis showed it saved the City funds over the term of the agreement. Due to the age of the building, it is recognized that the facility will require significant infrastructure upgrades in the coming years and these need to be carefully planned for, so the City can maintain its financial strength and stability for future generations. This request is to recognize the cost savings associated with the lump-sum payment and to initiate an annual contribution to reserve for the remaining term of the agreement to be used to help fund these future upgrades and thereby reduce future impacts on taxation.

Strategic Direction:	Economic resiliency - Infrastructure deficit is reduced							
	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(429,000)	429,000	0	0	0	0	0	0
2021	(429,000)	429,000	0	0	0	0	0	0
2022	(429,000)	429,000	0	0	0	0	0	0

# Capital Budget





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# 2020 Capital Requests

## Final Budget

### Summary - General Fund

Page	Type	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
<b>Building Capital - Priority 1</b>									
631	Renew	H2O Boiler Replacement	492,000	(492,000)	0	0	0	0	0
631	New	Rutland Rec Park, Central Okanagan Rugby Enthusiasts Fieldhouse	(3,606,000)	0	0	0	2,796,000	0	810,000
		B1 - Parks and Recreation Buildings	(3,114,000)	(492,000)	0	0	2,796,000	0	810,000
632	Renew	City Hall Improvements	(3,403,000)	3,028,000	0	0	0	0	375,000
		B3 - Civic/Protective Service Buildings	(3,403,000)	3,028,000	0	0	0	0	375,000
632	Renew	Water St. Boat Launch Ramp Renewal	(55,000)	0	0	0	0	0	55,000
		B7 - Renewal, Rehabilitation & Infra.	(55,000)	0	0	0	0	0	55,000
		<b>Cost Center Totals</b>	<b>(6,572,000)</b>	<b>2,536,000</b>	<b>0</b>	<b>0</b>	<b>2,796,000</b>	<b>0</b>	<b>1,240,000</b>
<b>Parks Capital - Priority 1</b>									
633	New	Lombardy Park, Protective Netting - Construction	(100,000)	0	0	0	0	0	100,000
		P5 - Recreation Park Development	(100,000)	0	0	0	0	0	100,000
		<b>Cost Center Totals</b>	<b>(100,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>100,000</b>
<b>Transportation Capital - Priority 1</b>									
OP 633	Growth	McCulloch Area DCC (KLO/Hall/Spiers)	(1,791,000)	1,510,000	0	0	0	0	281,000
		T1 - DCC Roads	(1,791,000)	1,510,000	0	0	0	0	281,000
OP 634	Growth	Houghton 1 DCC (Nickel - OK Rail Trail), ATC	(2,651,000)	1,998,000	0	0	0	0	653,000
		T2 - DCC Roads - Active Transportation	(2,651,000)	1,998,000	0	0	0	0	653,000
634	Growth	KLO Rd Mission Creek Bridge Replacement	(4,700,000)	2,830,000	0	0	0	0	1,870,000
635	New	Urban Centre Improvements	(100,000)	0	0	0	0	0	100,000
		T4 - Transportation System Renewal	(4,800,000)	2,830,000	0	0	0	0	1,970,000
OP 635	New	Okanagan Rail Trail - Connection to Waterfront Park Pathway	(305,000)	195,000	0	0	0	0	110,000
		T5 - Bicycle Network	(305,000)	195,000	0	0	0	0	110,000
		<b>Cost Center Totals</b>	<b>(9,547,000)</b>	<b>6,533,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,014,000</b>

Page	Type	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
<b>Solid Waste Capital - Priority 1</b>									
636	Growth	Landfill Liner Design and Construction	2,100,000	(2,100,000)	0	0	0	0	0
		SW2 - Site Improvement	2,100,000	(2,100,000)	0	0	0	0	0
636	Renew	Stockpiles and Reprocessing Areas Relocation	(3,446,000)	3,446,000	0	0	0	0	0
		SW7 - Landfill Area Development	(3,446,000)	3,446,000	0	0	0	0	0
<b>Cost Center Totals</b>			<b>(1,346,000)</b>	<b>1,346,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Storm Drainage Capital - Priority 1**

637	Renew	Knox Mountain Geotechnical Engineering	750,000	(750,000)	0	0	0	0	0
		D1 - Hydraulic Upgrading Program	750,000	(750,000)	0	0	0	0	0
<b>Cost Center Totals</b>			<b>750,000</b>	<b>(750,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Information Services Capital - Priority 1**

OP 637	Renew	Major Systems Projects - Electronic Records Management	(485,000)	0	0	0	0	0	485,000
		I3 - Major System Projects	(485,000)	0	0	0	0	0	485,000
<b>Cost Center Totals</b>			<b>(485,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>485,000</b>

**Vehicle & Mobile Equipment - Priority 1**

OP 638	Growth	Fleet Growth	(245,000)	0	0	0	0	0	245,000
		V1 - Additional Vehicles / Equipment	(245,000)	0	0	0	0	0	245,000
<b>Cost Center Totals</b>			<b>(245,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>245,000</b>
<b>Grand Total</b>			<b>(17,545,000)</b>	<b>9,665,000</b>	<b>0</b>	<b>0</b>	<b>2,796,000</b>	<b>0</b>	<b>5,084,000</b>

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## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B1	
Title:	H2O Boiler Replacement		FINAL

### Justification:

The boiler system at the H2O Adventure and Fitness centre has faced significant operational and maintenance issues which has led to the breakdown of 2 of the 3 boilers. These boilers provide heat to the pools, heat to the building HVAC system and are critical to the facility. This request is to replace one of the boilers. This replacement boiler will be installed in a way that complements the H2O Energy Efficiency project and the CleanBC grant program application.

This project will be completed in 2020.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
492,000	(492,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	New
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2020 B1	
Title:	Rutland Rec Park, Central Okanagan Rugby Enthusiasts Fieldhouse		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced for 2020.

The original capital request justification:

The existing change room building has reached its functional service life. Central Okanagan Rugby Enthusiasts (CORE) proposed a partnership with the City to construct and operate a multi-sport fieldhouse at Rutland Recreation Park (RRP). Budget is requested for the design and construction of this fieldhouse, of which approximately 75% will be provided by CORE through fundraising and grant applications. The City contribution commitment to the partnership is to fund the replacement parks maintenance area and public washrooms.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Strategic Direction: Vibrant neighbourhoods - Accessible and multi-purpose amenities

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
(3,606,000)	0	0	0	2,796,000	0	810,000

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: 2017 B3	
Title:	City Hall Improvements		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to the design phase for 2020.

### The original capital request justification:

Following the proposed renovations to the basement of City Hall, budget is requested for the design of Phase V: the partial renovation of Level 1. The renovations will create a suite of meeting rooms with improved accessibility for the public, as well as additional workstations and offices. The additional meeting rooms will create flexibility elsewhere in City Hall for training rooms, breakout spaces, and temporary, dedicated project rooms. Construction is proposed to follow completion of Phase IV and the staff relocation.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
(3,403,000)	3,028,000	0	0	0	0	375,000

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Building Capital	10 Yr Cap Plan Ref: Not included B7	
Title:	Water St. Boat Launch Ramp Renewal		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

Budget is requested for the engineering design and costing for the renewal of the Water St. boat launch ramp, as it has experienced extensive erosion. Provincial permits will be required prior to any work being undertaken. A separate budget request will made in a future year once cost estimates are known.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Extraordinary or Unforeseen Obligation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
(55,000)	0	0	0	0	0	55,000

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Parks Capital	10 Yr Cap Plan Ref: Not included P5	
Title:	Lombardy Park, Protective Netting - Construction		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

Due to advances in sport technologies and athletic performance, there has been an increased frequency of balls being hit outside of the park into the surrounding residential properties and school site. Budget is requested for a protective netting structures to prevent the number of balls leaving the softball diamond.

Project Driver: Health, life safety and regulatory compliance.

Strategic Direction: Other - Supports Base Business

Asset Cost (100,000)	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
	0	0	0	0	0	100,000

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2020 T1	
Title:	McCulloch Area DCC (KLO/Hall/Spiers)		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced for 2020.

### The original capital request justification:

The KLO bridge over Mission Creek is approaching the end of its service life. This funding is requested to construct improved road approaches to the east of the bridge, including the intersection of KLO / Spiers.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Strategic Direction: Other - Supports Base Business

Asset Cost (1,791,000)	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
	1,510,000	0	0	0	0	281,000

### Operating Impacts: McCulloch Area DCC (KLO/Hall/Spiers)

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(1,000)	0	0	0	0	0	0	1,000
2021	(4,100)	0	0	0	0	0	0	4,100
2022	(4,100)	0	0	0	0	0	0	4,100

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2020 T2	
Title:	Houghton 1 DCC (Nickel - OK Rail Trail), ATC		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to the design phase for 2020.

The original capital request justification:

Budget is requested for construction of the Houghton Road Active Transportation Corridor (ATC) between Nickel/Lester Rd (west end of existing Houghton ATC) and the Okanagan Rail Trail. Following a 2019 routing study, the proposed separated bike lanes will travel north from Houghton Rd along Nickel/Lester Rd, west on Leathead Rd, crossing Hwy 97 and connect to the OK Rail Trail 200m west of Hwy 97.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation	
	(2,651,000)	1,998,000	0	0	0	0	653,000	
<b>Operating Impacts:</b>	Houghton 1 DCC (Nickel - OK Rail Trail), ATC							
	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(13,300)	0	0	0	0	0	0	13,300
2021	(26,300)	0	0	0	0	0	0	26,300
2022	(26,300)	0	0	0	0	0	0	26,300

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2020 T4	
Title:	KLO Rd Mission Creek Bridge Replacement		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to necessary repair budget for 2020.

The original capital request justification:

The KLO bridge over Mission Creek is approaching the end of its service life. This project will replace the existing bridge, accommodate the Mission Creek Greenway under the west abutment and improve the safety of road approaches. This funding is requested for demolition of the existing bridge and construction of a new bridge; detailed design is ongoing.

Project Driver: Maintenance of Council approved levels of service (usually to accommodate growth).

Strategic Direction: Other - Supports Base Business

	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
	(4,700,000)	2,830,000	0	0	0	0	1,870,000

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: 2020 (P2) T4	
Title:	Urban Centre Improvements		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to fifty percent for 2020.

### The original capital request justification:

The City of Kelowna is expecting to accommodate approximately 40% of its future growth within Urban Centres with vibrant, pedestrian friendly areas with access to amenities. However, many streets in the Urban Centers have gravel soak away. These frontages do not support all the elements of an urban pedestrian environment. Improvements include urbanization by installing parking lane, curb, gutter, drainage, crosswalk letdowns, treed boulevard and street furniture as required to support the successful Urban Centre Growth.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Strategic Direction: Vibrant neighbourhoods - Key sites are proactively planned

Asset Cost (100,000)	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
	0	0	0	0	0	100,000

Department:	Capital Projects	Priority: 1	New
Cost Center:	Transportation Capital	10 Yr Cap Plan Ref: Not included T5	
Title:	Okanagan Rail Trail - Connection to Waterfront Park Pathway		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to design phase for 2020.

### The original capital request justification:

The Okanagan Rail Trail forms an important all ages and abilities walking and bicycling connection between Downtown, UBCO and points in-between. As of 2018, the trail has been a paved surface from the Airport to west of Ellis St. Budget is requested for detailed design and construction of the Okanagan Rail Trail from its current endpoint, west of Ellis, to Sunset Dr, and then connecting to the Waterfront Park pathway.

Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

Strategic Direction: Transportation & mobility - More trips by transit, carpooling, cycling & walking

Asset Cost (305,000)	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
	195,000	0	0	0	0	110,000

**Operating Impacts:** Okanagan Rail Trail - Connection to Waterfront Park Pathway

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(2,100)	0	0	0	0	0	0	2,100
2021	(8,200)	0	0	0	0	0	0	8,200
2022	(8,200)	0	0	0	0	0	0	8,200

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: Not included SW2	
Title:	Landfill Liner Design and Construction		FINAL

### Justification:

The initial costs for this project were based on the key installation components, such as leachate and landfill gas collection and the liner systems. Not included in the Design Operations and Closure Plan were costs for major earthworks associated with preparing the area for construction, road surfacing, drainage systems and electrical conduits; all of which are design components that can only be valued once the detailed design is complete. The additional budget required for this project is \$2.1M for a total project budget of \$4.4M. The estimated completion date of this project is Spring of 2021.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Additional funding required to honour contract obligations.

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
2,100,000	(2,100,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Solid Waste Capital	10 Yr Cap Plan Ref: Not included SW7	
Title:	Stockpiles and Reprocessing Areas Relocation		FINAL

### Justification:

The funding for the project to relocate a stockpile pad and reprocessing area to another area of the landfill is not required in 2020. This project has been cancelled in order to allow for the completion of the liner design and construction project and will be included in the Landfill's financial model in future years.

Project Driver: Health, life safety and regulatory compliance.

Strategic Direction: Vibrant neighbourhoods - Key sites are proactively planned

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
(3,446,000)	3,446,000	0	0	0	0	0

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Storm Drainage Capital	10 Yr Cap Plan Ref: Not included D1 - \$2M	
Title:	Knox Mountain Geotechnical Engineering		FINAL

### Justification:

Budget is requested to initiate the geotechnical design and first year construction of the slope on Knox Mountain north of the corner of Ethel Street and Bay Avenue to protect buried infrastructure. This is year one of a three year project staged to restore the slope and minimize the impacts of excess groundwater contributions in the future. The work consists of a horizontal drilling program into the slope face to identify the sources of water and note bedrock locations. Earthen repairs will be initiated and designed as required.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Maintain

Strategic Direction: Environmental protection - Emergency response & preparation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
750,000	(750,000)	0	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Information Services Capital	10 Yr Cap Plan Ref: 2020 I3 - \$508k	
Title:	Major Systems Projects - Electronic Records Management		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced.

The original capital request justification:

To acquire and implement an electronic document and records management system to manage the creation, use, maintenance, storage, security, retrieval, and disposition of records and information.

The goals of the project are to (1) comply with the Community Charter and other legislation regarding the access rights of the public to records, (2) reduce the risk of not being able to produce records as documentary evidence in a court of law, (3) enable staff to find and share information across divisional boundaries, except for confidential information, and (4) improve business processes using automated workflows.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Clear direction - Services, processes & business activities are transformed

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
(485,000)	0	0	0	0	0	485,000

**Operating Impacts:** Major Systems Project - Electronic Records Management

	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(50,000)	0	0	0	0	0	0	50,000
2021	(100,000)	0	0	0	0	0	0	100,000
2022	(100,000)	0	0	0	0	0	0	100,000

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Vehicle & Mobile Equipment	10 Yr Cap Plan Ref: 2020 V1	
Title:	Fleet Growth		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced by six vehicles for 2020.

### The original capital request justification:

As a result of increased service and maintenance demands, and regulatory requirements, an additional 18 pieces of equipment are requested for various divisions within the City of Kelowna. These would include 15 light duty vehicles, one utility trailer, one forklift, and one thermo plastic application machine. Five of the light duty vehicles included in this budget request have potential of being electric powered. Acquisition of vehicles is expected to be complete by 2021.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Supports Base Business

	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility	Taxation
	(245,000)	0	0	0	0	0	245,000

Operating Impacts:		Fleet Growth						
	Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Revenue	Utility	Taxation
2020	(44,000)	0	0	0	0	0	0	44,000
2021	(44,000)	0	0	0	0	0	0	44,000
2022	(44,000)	0	0	0	0	0	0	44,000

# 2020 Capital Requests

## Final Budget

### Summary - Utility Funds

Page	Type	Description	Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
<b>Airport Capital - Priority 1</b>								
641	Growth	Operations Stand 5 Concrete Panels	(320,000)	320,000	0	0	0	0
641	Renew	Airfield Cable Replacement	(120,000)	120,000	0	0	0	0
642	New	Inoperable Aircraft Mover	(60,000)	60,000	0	0	0	0
A1 - Airside			(500,000)	500,000	0	0	0	0
642	Renew	Light Standard Replacements	(100,000)	100,000	0	0	0	0
643	Renew	Airport Way Improvements	(250,000)	250,000	0	0	0	0
643	Renew	Airport Parking Lot Equipment	(528,580)	528,580	0	0	0	0
644	Growth	Non-passenger Screening Vehicle Traffic Management System	(85,000)	85,000	0	0	0	0
A2 - Groundside			(963,580)	963,580	0	0	0	0
644	Renew	Passenger Bridge Upgrades	(640,000)	640,000	0	0	0	0
645	Renew	Air Terminal Building Capital Replacement & Improvement	(455,000)	455,000	0	0	0	0
645	Renew	Airport Air Terminal Building Advertising Nodes	(261,140)	261,140	0	0	0	0
646	Growth	Air Terminal Building Renovations	(250,000)	250,000	0	0	0	0
646	Growth	Air Terminal Building Advertising Nodes	(200,000)	200,000	0	0	0	0
A3 - Terminal			(1,806,140)	1,806,140	0	0	0	0
647	Growth	Soaring Beyond 2.5 Million Passengers AIF Program	(2,635,000)	2,635,000	0	0	0	0
A4 - AIF			(2,635,000)	2,635,000	0	0	0	0
Cost Center Totals			(5,904,720)	5,904,720	0	0	0	0
<b>Water Capital - Priority 1</b>								
647	Renew	Bellevue Creek Water Main Crossing at Varney Court	150,000	0	0	0	0	(150,000)
W6 - Network and Facility Renewal			150,000	0	0	0	0	(150,000)
Cost Center Totals			150,000	0	0	0	0	(150,000)
<b>Wastewater Capital - Priority 1</b>								
648	New	KLO Rd Mission Creek Bridge Sanitary Main	(900,000)	0	0	0	0	900,000
WW6 - Network and Facility Improvements			(900,000)	0	0	0	0	900,000
Cost Center Totals			(900,000)	0	0	0	0	900,000

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	Grand Total	(6,654,720)	5,904,720	0	0	0	750,000
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## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A1	
Title:	Operations Stand 5 Concrete Panels		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

The Airport is requesting to replace asphalt with concrete slabs on Operations Stand 5. The existing asphalt on Operations Stand 5 is experiencing rutting due to the weight and high tire pressure of certain aircraft. The addition of concrete slabs on Operations Stand 5 would help improve the safety of Apron 1.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(320,000)	320,000	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A1	
Title:	Airfield Cable Replacement		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

The Airfield Cable Replacement project would result in the renewal of degrading airfield cables that are the power source for airfield visual equipment. This project would help ensure the Airport continues to have a safe, reliable visual aid system in accordance with Transport Canada regulations. This project would be completed between 2020 and 2022.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(120,000)	120,000	0	0	0	0

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A1	
Title:	Inoperable Aircraft Mover		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

The purchase of an inoperable aircraft mover would provide the Airport with the ability to move certain aircraft that have broken down on the runway, taxiway or apron. This would help the Airport avoid delays and disruptions.

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Project Driver: Level of service enhancements (functional efficiency and levels of service increases).

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Strategic Direction: Other - Supports Base Business

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Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(60,000)	60,000	0	0	0	0

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Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A2	
Title:	Light Standard Replacements		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

The Airport is requesting to replace approximately 20 light standard poles in and around the Airport that have reached the end of their useful life.

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Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

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Strategic Direction: Other - Supports Base Business

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Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(100,000)	100,000	0	0	0	0

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## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2020 A2 - \$2.85m	
Title:	Airport Way Improvements		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

The original capital request justification:

The Airport Way Improvements project would result in improvements to the intersection of Airport Way and Aerospace Drive to further improve the safety of pedestrians and cyclists.

Project Driver: Health, life safety and regulatory compliance.

Strategic Direction: Transportation & mobility - People of all ages & abilities can easily get around

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(250,000)	250,000	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2018 A2	
Title:	Airport Parking Lot Equipment		FINAL

### Justification:

Due to the financial impacts of COVID-19, the 2020 carryover budget request for this project is being removed for 2020.

The original carryover request justification:

Projected was initially delayed until the new Technology manager position was filled and further delayed in obtaining gate control. Work is to be completed in 2020.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(528,580)	528,580	0	0	0	0

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A2	
Title:	Non-passenger Screening Vehicle Traffic Management System		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

When the Airport initially built the Non-Passenger Screening for Vehicles (NPSV) facility, the Airport was exempt from installing a traffic management system. This exemption no longer applies and the implementation of a NPSV Traffic Management System would ensure that the Airport is in accordance with Canadian Air Transport Security Authority's mandate.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(85,000)	85,000	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A3	
Title:	Passenger Bridge Upgrades		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

Certain components of the Airport's passenger bridges are reaching the end of their useful life. This project would replace these components and extend the useful lives of the bridges, allowing the Airport to meet its operational needs and continue to adhere to safety requirements.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(640,000)	640,000	0	0	0	0

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: Not included A3	
Title:	Air Terminal Building Capital Replacement & Improvement		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to remove the Air Handling Units and exterior sliding doors replacement for 2020.

### The original capital request justification:

The air terminal building (ATB) capital replacements and improvements project consists of modifications to the ATB and the equipment within it to improve the operations of the Airport. In 2020, the more significant projects would include the Arc Flash Implementation (\$155K), replacement of Air Handling Units (\$125K), replacement of exterior sliding doors (\$75K), and fire stopping (\$40K).

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(455,000)	455,000	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2019 A3	
Title:	Airport Air Terminal Building Advertising Nodes		FINAL

### Justification:

Due to the financial impacts of COVID-19, the 2020 carryover budget request for this project is being removed for 2020.

### The original carryover request justification:

Project was delayed in order to combine 2019 and 2020 tender for efficiencies and cost savings. Project to be completed in 2020.

Project Driver: Investments that attract a net positive return over a reasonable business term.

Strategic Direction: Financial management - Non-tax revenues are increasing

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(261,140)	261,140	0	0	0	0

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2020 A3 - \$1.26M	
Title:	Air Terminal Building Renovations		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being removed for 2020.

### The original capital request justification:

The Airport would like to move forward with the expansion of Canada Border Services Agency's offices, renovation of the oversized inbound baggage area in arrivals and renovation of a portion of the Airport's check-in counters. These renovations would help mitigate operational constraints resulting from the Airport's recent passenger growth and allow the Airport to more efficiently use its existing infrastructure.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(250,000)	250,000	0	0	0	0

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2020 A3 - \$175K	
Title:	Air Terminal Building Advertising Nodes		FINAL

### Justification:

Due to the impacts of COVID-19, the budget request for this project is being removed for 2020.

The original capital request justification has been included below, for reference.

Budget is requested to allow for the modernization and enhancement of the existing advertising signage, and identify new advertising nodes within the air terminal building.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Financial management - Non-tax revenues are increasing

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(200,000)	200,000	0	0	0	0

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	Growth
Cost Center:	Airport Capital	10 Yr Cap Plan Ref: 2020-2022 A4 - \$54.5M	
Title:	Soaring Beyond 2.5 Million Passengers AIF Program		FINAL

### Justification:

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to only include the work for the Air terminal Building Expansion for 2020.

### The original capital request justification:

The Airport is requesting to continue the design and construction for portions of the Soaring Beyond 2.5 Million Passengers AIF Program. \$67.3M to construct Phases 1 and North of the Air Terminal Building Expansion between 2020 - 2023; \$1.8M to purchase Airside equipment including a loader, a sweeper, a heavy duty truck and attachments in 2020; \$520k to design the Apron 1 expansion to Gate 11 in 2020; \$240 to design Airside lighting and supporting infrastructure in 2020, and \$50k to commence consultation on Self-Serve Baggage Drop in 2020.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Economic resiliency - Key economic sector impact is increasing

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(2,635,000)	2,635,000	0	0	0	0

Department:	Capital Projects	Priority: 1	Renew
Cost Center:	Water Capital	10 Yr Cap Plan Ref: Not included W6	
Title:	Bellevue Creek Water Main Crossing at Varney Court		FINAL

### Justification:

The 2018 Flood Recovery project identified an existing water main under Bellevue Creek that became exposed during the high flow event. The Flood Recovery project allowed for minor repairs on the creek to cover the pipe, however, the need for this pipe to operate is critical. Following an internal assessment, budget is requested to construct a pipe bridge over the creek. Work to be completed by Fall 2020.

There are no operation and maintenance budget impacts associated with this request.

Project Driver: Asset preservation (renewal and replacement to achieve anticipated service life).

Strategic Direction: Environmental protection - Emergency response & preparation

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
150,000	0	0	0	0	(150,000)

## 2020 Capital Request Details

Department:	Capital Projects	Priority: 1	New
Cost Center:	Wastewater Capital	10 Yr Cap Plan Ref: Not included WW6	
Title:	KLO Rd Mission Creek Bridge Sanitary Main		FINAL

**Justification:**

Due to the financial impacts of COVID-19, the budget request for this project is being reduced to design phase for 2020.

**The original capital request justification:**

In coordination with KLO Rd Mission Creek Bridge Replacement, budget is requested to extend sanitary sewer pipe beneath Mission Creek and to the edge of the bridge project limits. It is advantageous to complete this work now to improve construction efficiency and limit the environmental impact. Works will include casing pipe beneath the creek, connection to the existing network on KLO Rd and termination on Parsons Rd. No service connections will be granted until future sanitary infrastructure is constructed in the Hall and Parsons Rd connection areas.

**Project Driver:** Level of service enhancements (functional efficiency and levels of service increases).

**Strategic Direction:** Other - Supports Base Business

Asset Cost	Reserve	Borrow	Fed/Prov	Dev/Com	Utility
(900,000)	0	0	0	0	900,000