

Report to Council



Date: June 13, 2022
To: Council
From: City Manager
Subject: CleanBC Communities Fund – Grant Application
Department: Building Services

Recommendation:

THAT Council receives for information, the report from Building Services dated June 13, 2022, with respect to the Application for funding from CleanBC Communities Fund Intake 3, towards the H2O Adventure + Fitness Centre Energy Modernization Project;

AND THAT Council authorizes staff to apply for a CleanBC Grant - H2O Adventure + Fitness Centre Energy Modernization Project, as outlined in this report;

AND THAT Council commits to contributing up to \$894,788, the City's cost-share of eligible costs from the following funding sources:

- \$65,737 from Parking Reserve (R605)
- \$414,525.50 from H2o Reserve (R068)
- \$414,525.50 from Energy Management Reserve (R011)

AND THAT the Financial Plan be amended to include the grant and reserve funding if the application is successful.

AND THAT Council commits to cover any unexpected ineligible costs and project overruns.

Purpose:

To consider staff's recommendation to apply for the third program intake of the CleanBC Communities Fund.

Background:

As part of the federal government's Investing in Canada Infrastructure Program, the Government of Canada and the Province of BC committed up to \$134 million towards a third intake of the Green

Infrastructure – CleanBC Communities Fund. This grant is to support cost-sharing of infrastructure projects to put BC on the path to a cleaner, better future with a low-carbon economy.

The H2O Adventure + Fitness Centre (H2O) is Kelowna’s world-class aquatics, recreation, and health and fitness facility. The facility includes an Olympic 50-meter pool, wave pool, river run, hot tubs, water park, fitness floor, and fitness facility. The nearly 79,000 ft² regional facility provides access to amenities and activities for approximately 220,000 residents of the Central Okanagan annually.

Discussion:

This comprehensive energy modernization project has three key components:

1. To increase energy efficiency and reduce natural gas consumption in the H2O Adventure + Fitness Centre by approximately 14,230 GJ/year and reduce greenhouse gas (GHG) emissions by 700 tonnes annually, through the implementation of facility upgrades identified in a recently updated Energy Study.
2. To generate renewable energy through the installation of a rooftop solar photovoltaic (PV) system, which will be capable of generating up to 130,000 kWh of electricity.
3. To install 10 strategically located publicly accessible Level 2 EV charger heads, with sufficient electrical infrastructure to support up to 24 Level 2 charger heads, increasing regional access to clean energy transportation.

In total, the total gross project cost for this work is estimated at \$3,408,014. With the recommended funding breakdown as follows:

- \$2,460,248 in grant funding
- \$52,978 in in-kind cost (staff time over the life of the project)
- \$894,788 in reserve contribution

Conclusion:

The purpose of this project is to modernize the H2O from an energy perspective and to greatly reduce both the City’s and the facilities’ GHG emissions. This is being accomplished all while providing long term benefits to the City of Kelowna and its residents through asset renewal and reliability, lower energy costs, improved levels of occupant comfort, and long term GHG reductions.

Internal Circulation:

Divisional Director, Partnership & Investments
Building Services Manager
Grants & Special Projects Manager
Grants and Special Projects Coordinator
Community Energy Specialist
Parking Services Manager
Financial Services Supervisor
Financial Analyst
Financial Planning Manager

Considerations applicable to this report:

Financial/Budgetary Considerations:

The total project cost for the H2O Energy Modernization project is estimated to be \$3,355,036 not including in-kind staff costs. If successful, the CleanBC Communities will award 73.33% of the total project cost, with the remaining \$894,788.00 to be covered by the City. It is proposed that the City's portion be funded through Reserves R605, R068, and R011.

Considerations not applicable to this report:

Legal/Statutory Authority

Legal/Statutory Procedural Requirements

Existing Policy

External Agency/Public Comments

Communications Comments

Submitted by: R.Baines, Energy Manager

Approved for inclusion:



[SP]

cc: