



City of  
**Kelowna**

# 10-Year Capital Plan Update

(2022 – 2031)

June 27<sup>th</sup>, 2022



# Meeting Agenda

- ▶ Overview
- ▶ Cost Centre Review
- ▶ Infrastructure Deficit
- ▶ How are we responding
- ▶ Next steps





## Current Situation

- Supply chain challenges
- Labour shortages
- Inflation
- Interest rate pressures
- Energy costs
- Covid 19 recovery



# Alignment with Council Prior & Community Expectations

**world-class airport**

**reduced GHG emissions**

**safe and efficient roads**

**climate resilience**

**safe, protected bike routes**

**great public spaces**

**walkable neighbourhoods**

**public safety**

**environmental stewardship**

**high quality drinking water**

**City of Kelowna's 10-Year Capital Plan**  
***Building a City of the Future 2022-2031***

# Planning Continuum

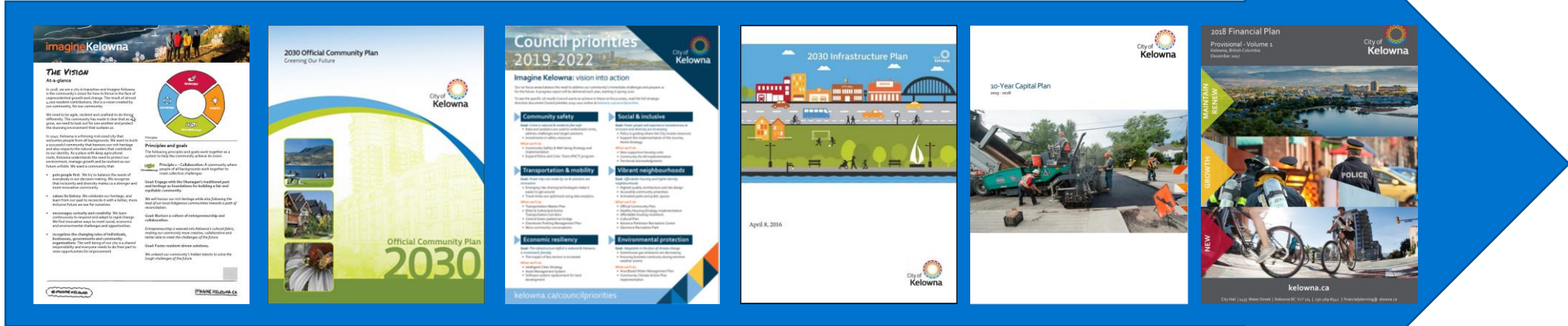
Understanding  
Community Service  
Expectations

Delivering Infrastructure  
that supports Service  
Delivery



2040 OCP

2040 Infrastructure Plan



Imagine  
Kelowna

2030  
OCP

Council  
Priorities

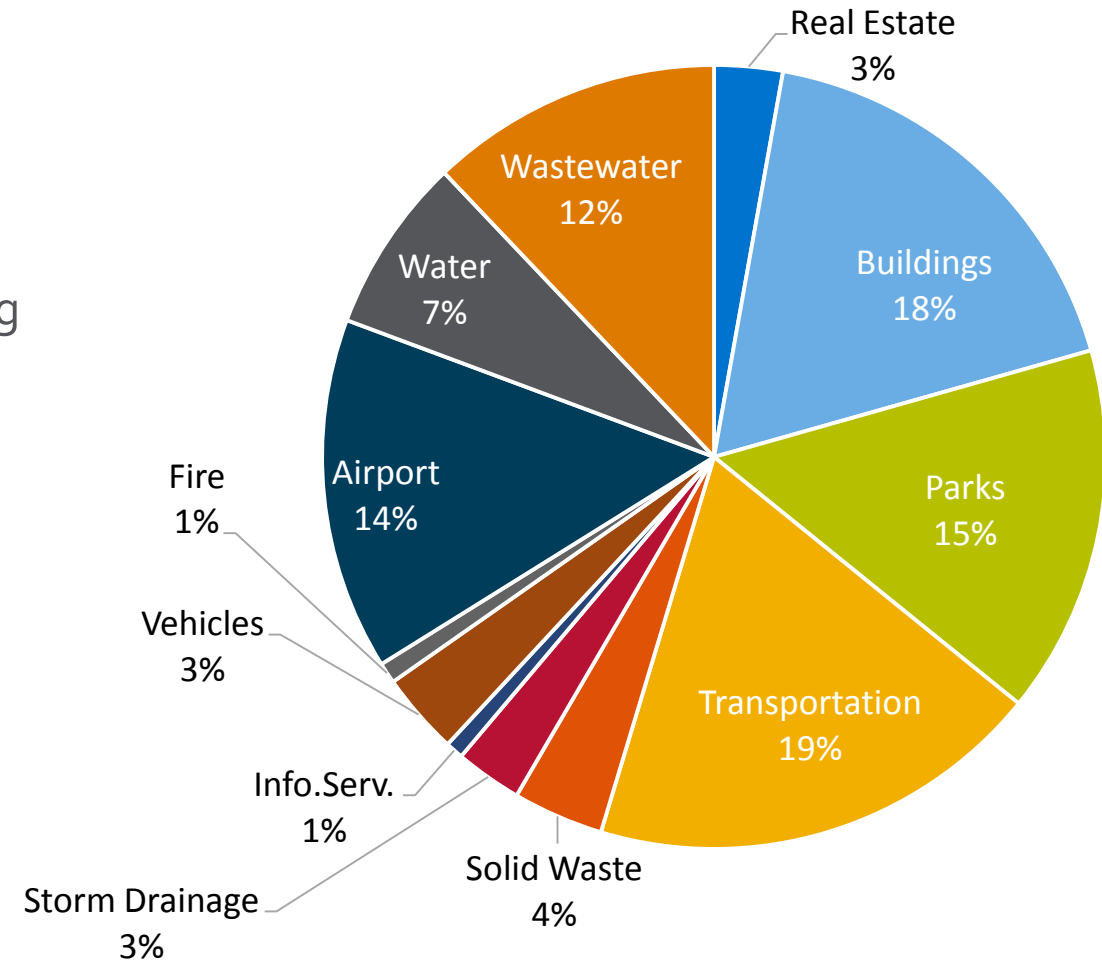
2030  
Inf. Plan

10-Yr Capital  
Plan  
(Annually updated)

Annual Capital  
Program

# Investment Summary (2022 – 2031)

- ▶ \$1.63 billion total investment
- ▶ Renewal of aging infrastructure
- ▶ Parks acquisition and development,
- ▶ Transportation & mobility infrastructure making it easier for all people to get around by vehicle, transit, cycling and walking,
- ▶ Flood protection infrastructure to protect the community against the effects of climate change and flooding,
- ▶ Recreation centres & public spaces keeping pace with population growth and evolving community needs
- ▶ Airport development aligned with post-pandemic passenger forecasts.
- ▶ Alignment with 2040 OCP and TMP.





# Transportation

- ▶ Investment \$307 million (19%)
- ▶ Net decrease \$39 million
- ▶ TMP influencing change
- ▶ Big Projects and Programs (P1)
  - ▶ Active transportation and transit
  - ▶ Road improvements for growth
  - ▶ Road and bridge renewal
- ▶ Unfunded Projects(P2)
  - ▶ Active transportation and transit
  - ▶ Transportation renewal
  - ▶ Share of Infrastructure Deficit- 4%



# Buildings

- ▶ Investment \$290 million (18%)
- ▶ Net increase \$50 million
- ▶ Big projects and programs (P1)
  - ▶ Kelowna Community Campus
  - ▶ CNC Expansion
  - ▶ North Glenmore Firehall
- ▶ Unfunded projects(P2)
  - ▶ Buildings Renewal
  - ▶ Kelowna Community Theatre
  - ▶ City Yards Replacement
  - ▶ Kelowna Museum Replacement
  - ▶ Share of Infrastructure Deficit- 72%





# Parks

- ▶ Investment \$248 million (15%)
- ▶ Net increase \$22 million
- ▶ Park Development DCCs now included
- ▶ Big projects and programs (P1)
  - ▶ DCC parkland acquisition
  - ▶ Park Development
    - ▶ Glenmore Rec, Dehart, Bluebird Beach, Kerry, Mission Recreation, and City Park
    - ▶ Neighbourhood and Linear parks
- ▶ Unfunded Projects(P2)
  - ▶ Park infrastructure renewal (irrigation, playgrounds, parking)
  - ▶ Boat launch renewal
  - ▶ Sutherland Bay Park
  - ▶ Share of Infrastructure Deficit- 12%



# Kelowna International Airport

- ▶ Investment \$237 million (14%)
- ▶ Aligned with 2022 Final Budget passenger forecast – subject to change
- ▶ Main Projects and Programs
  - ▶ Terminal expansion (\$85M)
  - ▶ Airside pavement (\$55M)
  - ▶ Hotel (\$32M)
  - ▶ East Lands development (\$12M)
  - ▶ Combined operations building (\$11M)
  - ▶ Airside equipment (\$9M)





# Wastewater

- ▶ Investment \$197 million (12%)
- ▶ Net increase \$62 million
- ▶ Big Projects and Programs (P1)
  - ▶ Renewal
  - ▶ Biosolids Digestion
  - ▶ Septic removal projects
- ▶ Unfunded Projects(P2)
  - ▶ Wastewater New Treatment Process
  - ▶ Water St Lift Station



# Water

- ▶ Investment \$118 million (7%)
- ▶ Net increase \$10 million
- ▶ Big Projects and Programs (P1)
  - ▶ Major focus on inner City water transmission and storage projects.
  - ▶ Renewal and regulatory upgrades.
  - ▶ Installation of water meters across the City.
- ▶ Unfunded Projects(P2)
  - ▶ Water Filtration Land Purchase
  - ▶ Mission Creek South Connector





# Solid Waste

- ▶ Investment \$61 million (4%)
- ▶ Net decrease \$2 million
- ▶ Big Projects and Programs (P1)
  - ▶ Expansion of the landfill footprint
  - ▶ Stockpiles and Reprocessing Areas
  - ▶ A new stormwater management program
- ▶ Unfunded Projects(P2)
  - ▶ No Unfunded Projects



# Storm Drainage

- ▶ Investment \$45 million (3%)
- ▶ Net decrease \$2 million
- ▶ Big Projects and Programs (P1)
  - ▶ Mill Creek Flood Protection
  - ▶ Renewal
- ▶ Unfunded Projects(P2)
  - ▶ The Airport component of the Mill Creek Flood Protection
  - ▶ Several stormwater major system components and lake outlets across the City remain unfunded.
  - ▶ Downtown Drainage Project
  - ▶ Share of Infrastructure Deficit- 3%





# Real Estate and Parking

- ▶ Investment \$46 million (3%)
- ▶ Net increase \$2 million
- ▶ Big Projects and Programs (P1)
  - ▶ General Land, Acquisition
  - ▶ New Parkades
- ▶ Unfunded Projects(P2)
  - ▶ New Parkades
  - ▶ Share of Infrastructure Deficit- 6%



# Vehicles and Equipment

- ▶ Investment \$55 million (3%)
- ▶ Net increase \$5 million
- ▶ Big Projects and Programs (P1)
  - ▶ Vehicle & Equipment Renewal
  - ▶ Additional vehicles to support growth
- ▶ Unfunded Projects(P2)
  - ▶ Vehicles and equipment demand caused by growth and service improvements
  - ▶ Share of Infrastructure Deficit- 3%



# Information Services

- ▶ Investment \$12 million (1%)
- ▶ Big Projects and Programs (P1)
  - ▶ Front Office Equipment and Server and Data Storage
  - ▶ Major System Projects
  - ▶ Communications Network and Fibre Optics
- ▶ Unfunded Projects(P2)
  - ▶ City Front Office Equipment and Server and Data Storage Equipment





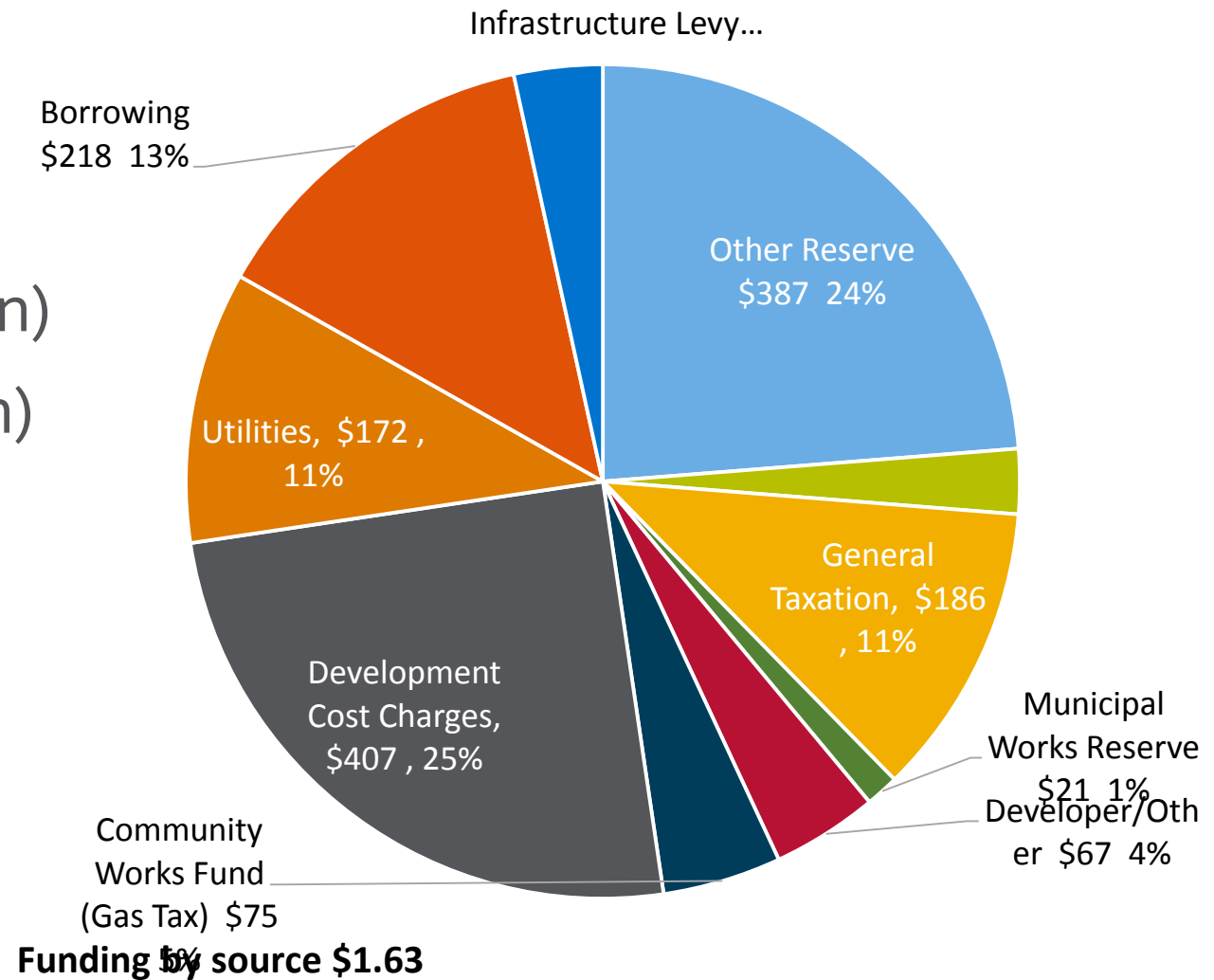
# Fire

- ▶ Investment \$14 million (1%)
- ▶ Net increase \$1 million
- ▶ Big Projects and Programs (P1)
  - ▶ Vehicle/Equipment Renewal
  - ▶ Communication Systems
- ▶ Unfunded Projects(P2)
  - ▶ Engine Company



# Funding

- ▶ \$11% taxation (\$186 million)
- ▶ 3% infrastructure levy (\$56 million)
- ▶ 3% confirmed grants (\$41 million)
- ▶ 30% reserves (\$483 million)
- ▶ 25% DCC (\$407 million)



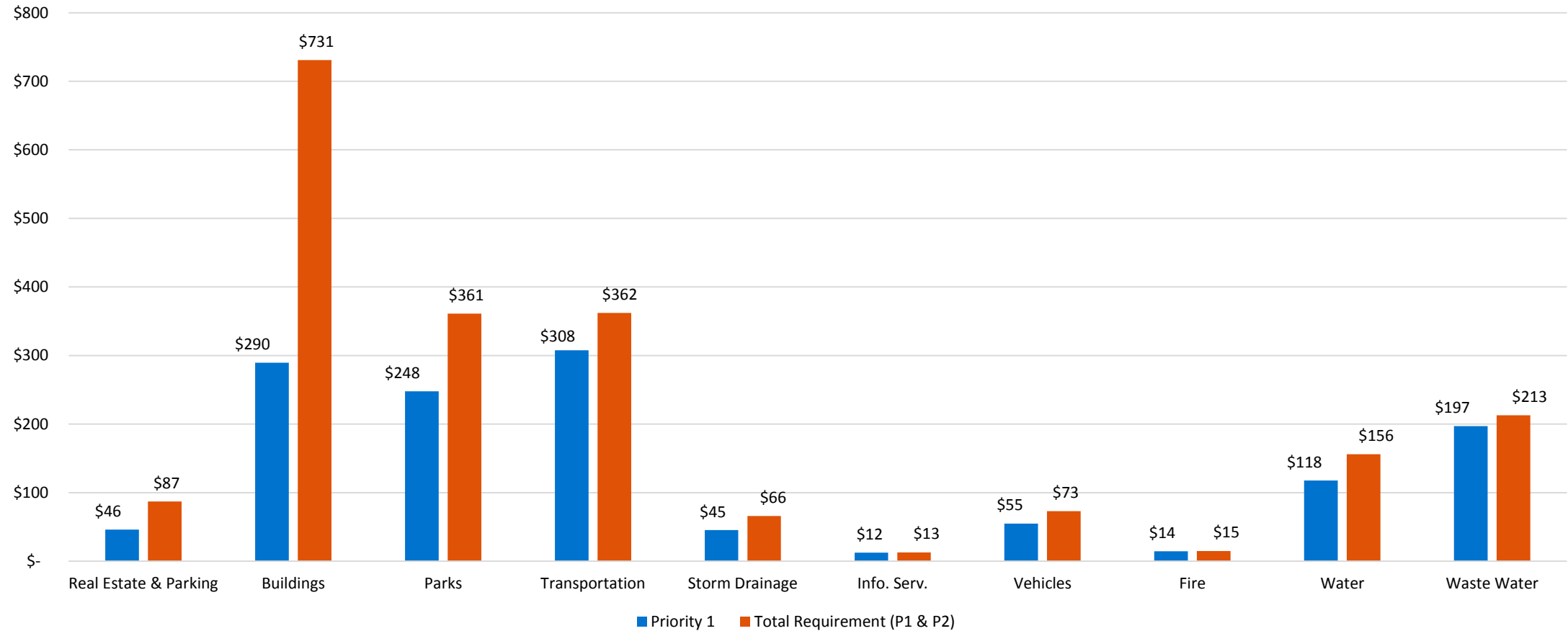
# Infrastructure Deficit

- ▶ Infrastructure required to accommodate growth, enhance services, and renew existing assets
- ▶ City's Infrastructure Deficit \$610 million

INFRASTRUCTURE CATEGORY	Cost	Funding	
		City	Other
Renewal	\$222	\$211	\$11
Growth	\$283	\$206	\$77
New (enhance service)	\$239	\$193	\$46
<b>TOTAL</b>	<b>\$744</b>	<b>\$610</b>	<b>\$134</b>



# Funding Gap



# Major Unfunded Projects

- ▶ 24 Projects
- ▶ Total \$549 Million
- ▶ 81% of Infrastructure Deficit

Cost Centre	Major Unfunded Projects	Value (\$ million)
<b>Real Estate &amp; Parking</b>	New Parkades	\$36
<b>Buildings</b>	Kelowna Community Theatre Replacement	\$102
	City Yards Replacement	\$81
	Kelowna Museum Replacement	\$75
	General Building Renewal	\$57
	Prospera Place Renovations	\$17
	Capital Opportunities & Partnership Fund	\$17
	Glenmore Recreation Activity Centre	\$13
	Memorial Arena – Adaptive Reuse	\$11
	Rotary Centre for the Arts Expansion	\$8
	KLO Fire Hall (Stn#6)	\$9
<b>Parks</b>	Sutherland Bay Park	\$17
	Irrigation Renewal	\$12
	Boat Launch – Land Acquisition and Facility Renewal	\$12
	Gallagher Park	\$11
	Neighbourhood Park Development	\$10
	Community Park Development	\$8
	Recreation Park Development – Artificial Turf Field	\$7
<b>Transportation</b>	Abbott DCC (Rose – Gyro), ATC	\$9
	Orchard Park Exchange	\$8
	KLO Rd Mission Cr. Bridge Replacement	\$6
	Richter DCC (Sutherland – KLO), Rd	\$4
	Road Renewal	\$6
<b>Storm Drainage</b>	Mill Creek Flood Protection	\$13

# Buildings Renewal

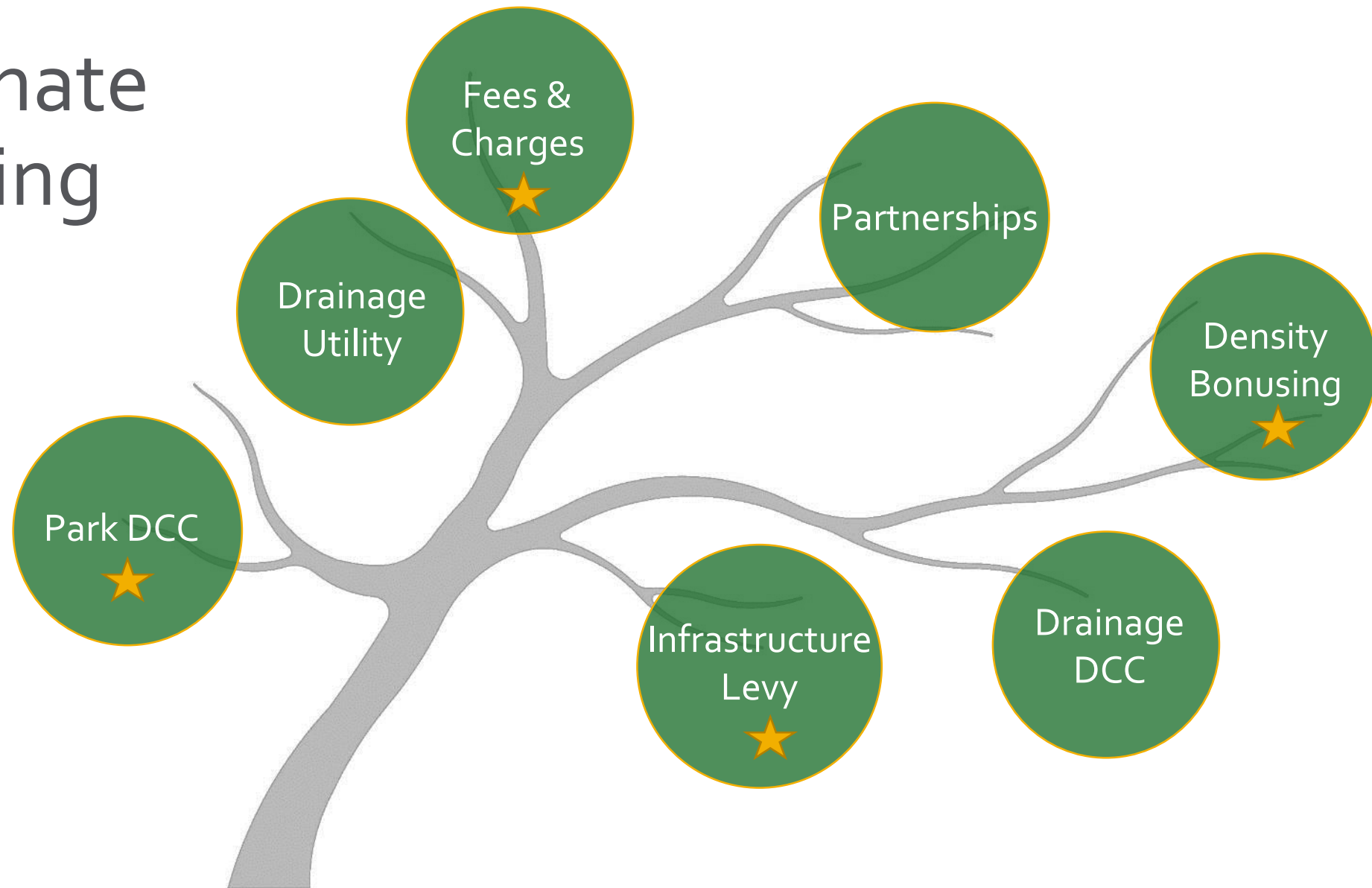
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	Total
<b>General Building Infrastructure Renewal</b>	<b>\$ 3,000,000</b>	<b>\$ 21,929,800</b>	<b>\$ 2,000,000</b>	<b>\$ 8,158,787</b>	<b>\$ 2,708,243</b>	<b>\$ 1,673,506</b>	<b>\$ 7,916,567</b>	<b>\$ 2,831,382</b>	<b>\$ 1,538,132</b>	<b>\$ 6,170,990</b>	<b>\$ 57,927,407</b>
<b>Detail:</b>											
General Building Infrastructure Renewal - Services		\$ 9,973,171	\$ 680,000	\$ 2,773,988	\$ 794,198	\$ 568,992	\$ 437,869	\$ 962,670	\$ 522,965	\$ 2,098,137	\$ 18,811,989
General Building Infrastructure Renewal - Shell		\$ 5,841,202	\$ 640,000	\$ 2,610,812	\$ 747,480	\$ 535,522	\$ 412,112	\$ 906,042	\$ 492,202	\$ 1,974,717	\$ 14,160,089
General Building Infrastructure Renewal - General		\$ 1,939,697	\$ 680,000	\$ 2,773,988	\$ 794,198	\$ 568,992	\$ 437,869	\$ 962,670	\$ 522,965	\$ 2,098,137	\$ 10,778,514
General Building Infrastructure Renewal - Energy upgrades											
Prospera - Renewal		\$ 4,175,730			\$ 372,367		\$ 6,628,718				\$ 11,176,815
<b>Total</b>	<b>\$ 3,000,000</b>	<b>\$ 21,929,800</b>	<b>\$ 2,000,000</b>	<b>\$ 8,158,787</b>	<b>\$ 2,708,243</b>	<b>\$ 1,673,506</b>	<b>\$ 7,916,567</b>	<b>\$ 2,831,382</b>	<b>\$ 1,538,132</b>	<b>\$ 6,170,990</b>	<b>\$ 57,927,407</b>



# How are we responding?

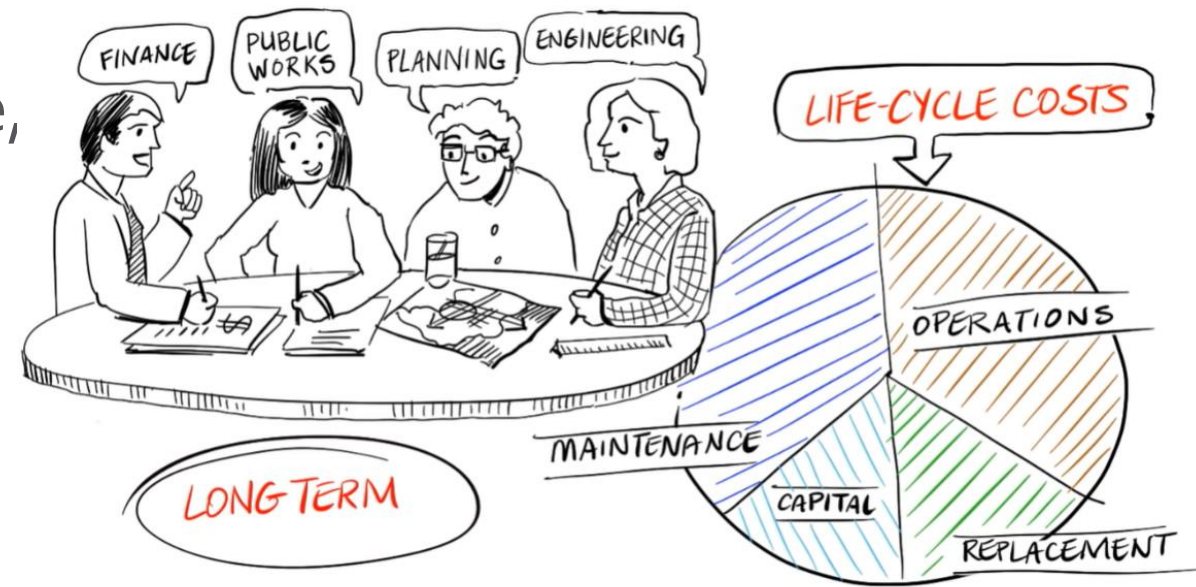
- ▶ Alternate Funding
- ▶ Official Community Plan
- ▶ Master Plans
  - ▶ Transportation
  - ▶ Parks
  - ▶ Buildings
- ▶ Asset Management
- ▶ Ongoing Monitoring

# Alternate Funding



# Asset Management

- ▶ City owns \$4.7 billion in infrastructure
- ▶ Goals of Asset Management:
  - ▶ Efficient operation and maintenance,
  - ▶ Extend asset service life,
  - ▶ Timely and coordinated capital delivery,
  - ▶ Choosing best long-term options,
  - ▶ Integrate AM with capital plans.





*Questions?*

For more information, visit [kelowna.ca](http://kelowna.ca).