

# Report to Council



**Date:** May 15<sup>th</sup>, 2023  
**To:** Council  
**From:** City Manager  
**Subject:** 10-Year Capital Plan Annual Update – Workshop #5 (Transportation)  
**Department:** Financial Services

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## **Recommendation:**

THAT Council receives, for information, the report from Financial Services dated May 15<sup>th</sup>, 2023, with respect to this year's annual update to the 10-Year Capital Plan with focus on the Transportation Cost Centre;

AND THAT Council direct staff to proceed with the approach recommended in Option B for the Transportation Cost Centre for inclusion in this annual update to the 10-Year Capital Plan;

AND FURTHER THAT Staff return to Council with the comprehensive 10-Year Capital Plan that balances all capital cost centres prior to final endorsement.

## **Purpose:**

To provide Council the opportunity to provide input on the Transportation Cost Centre in advance of Staff drafting the comprehensive 10-Year Capital Plan.

## **Background:**

This is the fifth report in a series of reports that will inform and afford Council an opportunity to provide input and direction in the development of this year's annual update to the 10-Year Capital Plan ([Capital Plan](#)). The first report provided an overview of this year's process and sequencing for this year's update. The second report focused on the redevelopment of the Parkinson Recreation Centre Functional Plan. The third and fourth reports focused on direction for capital investment in the Buildings and Parks capital cost centres, respectively.

### Previous Council Resolution

Resolution	Date
THAT Council receives, for information, the report from Financial Services dated May 8 <sup>th</sup> , 2023, with respect to this year's annual update to the 10-Year Capital Plan with focus on the Parks Cost Centre;	May 8 <sup>th</sup> , 2023
THAT Council receives, for information, the report from Financial Services dated April 24 <sup>th</sup> , 2023, with respect to this year's annual update to the 10-Year Capital Plan with focus on the Buildings Cost Centre;	April 24 <sup>th</sup> , 2023
THAT Council receives the report from Parks and Buildings Planning, dated April 17, 2023, for the Redevelopment of Parkinson Recreation Centre Functional Plan;	April 17 <sup>th</sup> , 2023
THAT Council receives, for information, the report from Financial Services dated April 3 <sup>rd</sup> , 2023, with respect to the process for this year's annual update to the 10-Year Capital Plan.	April 3 <sup>rd</sup> , 2023

The City maintains a rigorous capital planning process that aligns with Council priorities, Imagine Kelowna and the Official Community Plan. The Capital Plan provides the framework for long-term planning and fiscal management and helps balance competing infrastructure needs within limited funding and capacity to deliver infrastructure.

The capital planning process is being modified this year to include additional touchpoints to allow Council more opportunity to shape the direction of the Capital Plan through priority alignment workshops. **The focus of this report to Council is the Transportation capital cost centre.**

#### Discussion:

There are many ways to get around the City. Whether it's by car, bus, bike, transit or on foot, the City's transportation network will get you where you need to go. A forward-thinking, transportation network that keeps pace with growth and provides people a variety of options to get around the City.

The transportation network is growing and becoming more complex and includes:

- 875 km of roads,
- 450 km of sidewalks,
- 35 bridges,
- 15,000 streetlights,
- 675 traffic signals, and
- Regional transit service in Partnership with BC Transit.

Ensuring public safety is the highest priority. Continuing to maintain the transportation network to a high standard ensures these assets will provide reliable service for years to come. The City is one of the fastest growing communities and keeping pace with growth is fundamental to the City's Transportation Plans.

With all this infrastructure and demands for more, the Transportation Capital Cost Centre is under pressure to deliver and faces both financial and infrastructure delivery challenges

The Transportation Capital Cost Centre has the following general categories:

**Table 1** - Transportation Capital Categories.

Major Roads	Major Intersections	Active Transportation	Safety & Neighbourhood Streets	Transit
<ul style="list-style-type: none"> <li>• Arterial Road Projects</li> <li>• Bridges</li> <li>• Pavement Management</li> </ul>	<ul style="list-style-type: none"> <li>• Major Intersection Capacity Program</li> <li>• Roundabouts and Traffic Signals</li> <li>• Intelligent Transportation Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Active Transportation Corridors</li> <li>• Sidewalks</li> <li>• Bike Lanes</li> <li>• Neighbourhood Bikeway Program</li> </ul>	<ul style="list-style-type: none"> <li>• Road Safety Improvements</li> <li>• Safe Routes to School</li> <li>• Crosswalks</li> <li>• Traffic Calming</li> <li>• Local Street Urbanization</li> </ul>	<ul style="list-style-type: none"> <li>• Major Exchanges</li> <li>• Stops &amp; Shelters</li> <li>• Corridor &amp; Area Improvements</li> </ul>

The adopted [Capital Plan](#) forecasts \$307 million in capital investment in the next 10-years. However, we know that is expected to grow due to inflationary pressures and the demand for transportation services to support growth. Aging transportation assets and evolving user needs are also contributing to increased investment pressure in the Transportation Cost Centre.

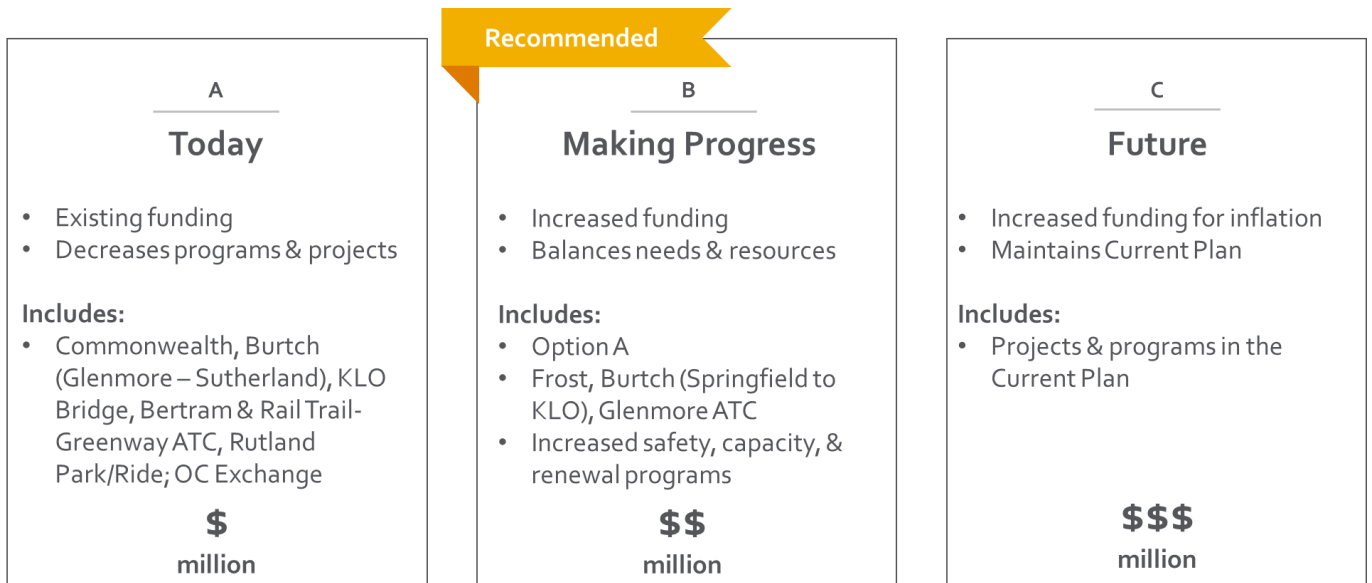
This year’s update to the Capital Plan focuses on infrastructure investment for the years 2023 – 2032. The Transportation Cost Centre service drivers include:

- [Council Priorities 2023-2026](#),
- Imagine Kelowna,
- 2040 OCP,
- 2040 Transportation Master Plan.

The City has many competing infrastructure demands and difficult decisions need to be made to optimize spending to provide the most value to the community. In advance of developing the comprehensive Capital Plan, staff are looking for guidance from Council. Staff have prepared three options to help guide the discussion:

- Option A (Today) – Is existing funding levels with a reduction in projects and programs due to 40% inflationary increase in the past two years.
- Option B (Making Progress) – Is a balanced approach that partially offsets inflationary impacts and advances priority projects.
- Option C (Future) – Is the vision of building the City of the Future and fully offsets inflationary impacts.

Staff are recommending Option B as the approach for Transportation capital investment. Option B is step towards building the City of the Future and balances limited funding and infrastructure delivery resources along with the competing demands from other capital cost centres.



**Conclusion:**

Based on Council’s direction in this workshop, staff will return with the comprehensive Capital Plan that balances all capital cost centres prior to finalizing the Capital Plan. Below are the upcoming workshops to receive additional input from Council.

**Table 2** - Council capital planning touchpoint schedule.

Touchpoint	Topic	Purpose	Date
✓	Overview & Listening	Introduce the process and hear from Council	April 3
✓	PRC Functional Plan	PRC Function Plan presentation	April 17
✓	Buildings Workshop	Buildings planning principles, strategy & direction	April 24
✓	Parks Workshop	Parks planning principles, strategy & direction	May 8
✓	Transportation Workshop	Transportation planning principles, strategy & direction	May 15
6	Draft Capital Plan Review	Comprehensive review of Capital Plan	July 10
7	Final Plan Review & Adoption	Final review and adoption	July 24

**Internal Circulation:**

- Transportation Planning Manager
- Strategic Transportation Planning Manager
- General Manager, Infrastructure
- Asset Planning Manager

**Considerations not applicable to this report:**

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

Financial/Budgetary Considerations:

External Agency/Public Comments:

Communications Comments:

**Submitted by:** J. Shaw, Asset Management & Capital Planning Manager

**Approved for inclusion:** J. Sass Divisional Director, Financial Services

Attachment 1 – Capital Plan Workshop presentation

cc: General Manager, Infrastructure