

Report to Council



Date: June 27, 2022
To: Council
From: City Manager
Subject: Budget Amendments for the Abbott and Casorso 3 Active Transportation Corridors
Department: Integrated Transportation

Recommendation:

THAT Council receives for information, the report from Integrated Transportation dated June 27, 2022, with respect to Abbott and Casorso 3 (KLO to Lanfranco) Active Transportation Corridors;

AND THAT the 2022 Financial Plan be amended to increase the Abbott DCC Protected Bike Lanes (3473) project budget by \$380,026 with funding of \$320,704 from the Community Works Fund (R837) and \$59,322 from the DCC Sector I (R749) reserve;

AND FURTHER THAT the 2022 Financial Plan be amended to increase the Casorso 3 DCC ATC (356002A) project budget by \$502,798 with funding of \$390,674 from the Community Works Fund (R837) and \$112,124 from the DCC Sector I (R749) reserve.

Purpose:

To increase the budget for the Abbott (Rose to Cedar) and Casorso 3 (KLO to Lanfranco) Active Transportation Corridor (ATC) projects to address construction inflation, final project scope, tender pricing, and allow for advancing the projects forward in 2022.

Abbott DCC ATC (Rose to Cedar)

Construction of the Abbott ATC is currently underway using contracted forces. Similar to other capital projects in the first half of 2022, final pricing was higher than budgeted due to inflation, and there is currently insufficient funding to complete the full project scope, so the contract has been limited to the available budget. This report requests additional funds to construct the full project scope in 2022.

Casorso 3 DCC ATC (KLO to Lanfranco)

The City is currently in negotiations with a contractor to deliver the first phase of Casorso 3 from KLO to Lanfranco. This report requests additional funds to address inflation and accommodate the final project scope, informed by public consultation and feedback.

Proposed funding amendments for both projects would reallocate funds from previous year senior government active transportation project grants and have no impact on current year general taxation.

Background:

Abbott ATC

The Abbott Active Transportation Corridor (ATC) project is extending the existing bidirectional protected bike lane facility 1.4km from Rose Avenue (near Kelowna General Hospital) to Cedar Avenue (adjacent to South Pandosy Waterfront Park). This project is being constructed using a combination of quick-build and ultimate materials. Between Rose and Christleton, due to the narrow road right of way, ultimate works are being constructed. South of Christleton, a quick-build strategy, using interim materials in combination with reallocation of existing road space, is being used to deliver the project faster and at a lower cost than historical capital plans (2030+). Similar to segments north of Rose, protected bike lanes will be bidirectional on the lake side of the street.

This new segment will shorten a significant gap in our all ages and abilities cycling network and link to key health, employment, recreational and residential neighbourhood centres. The existing Abbott ATC has had record breaking growth in walking and biking through the COVID Pandemic and that high frequency of usage continues today. Based on the Quick-build Abbott ATC Public engagement, completed in 2021, 69% of respondents indicated they would walk or bike more with the construction of the quick-build project.

Casorso 3 DCC ATC (KLO to Lanfranco)

The Casorso 3 ATC project will extend the Ethel/Casorso Corridor southward from KLO to Lanfranco. Similar to phases of the Ethel ATC to the north, unidirectional protected bike lanes will be constructed on both sides of the street. Project tradeoffs have been informed by the reuse of existing infrastructure, consultation feedback and design guidance to balance project scope and cost.

Casorso 3 has been divided into two phases, with the construction of Phase 1 (KLO to Lanfranco) in 2022, and the construction of Phase 2 (Lanfranco to Barrera) anticipated in 2023 (dependent on the 2023 financial plan).

Once completed these projects will fill the final gap at the southern end of the Ethel/Casorso corridor and create a continuous all ages and abilities cycling facility from the southern portions of Lakeshore and Gordon to Downtown. It will provide people walking, biking and rolling with better access to destinations like Okanagan College, Casorso Elementary School, Kelowna Secondary School, Boyce-Gyro Beach Park and Pandosy Urban Centre.

Both Abbott and Casorso are identified as priority connections in the [2020 Regional Bicycling and Trails Master Plan](#) and [2016 Kelowna Pedestrian and Bicycle Master Plan](#).

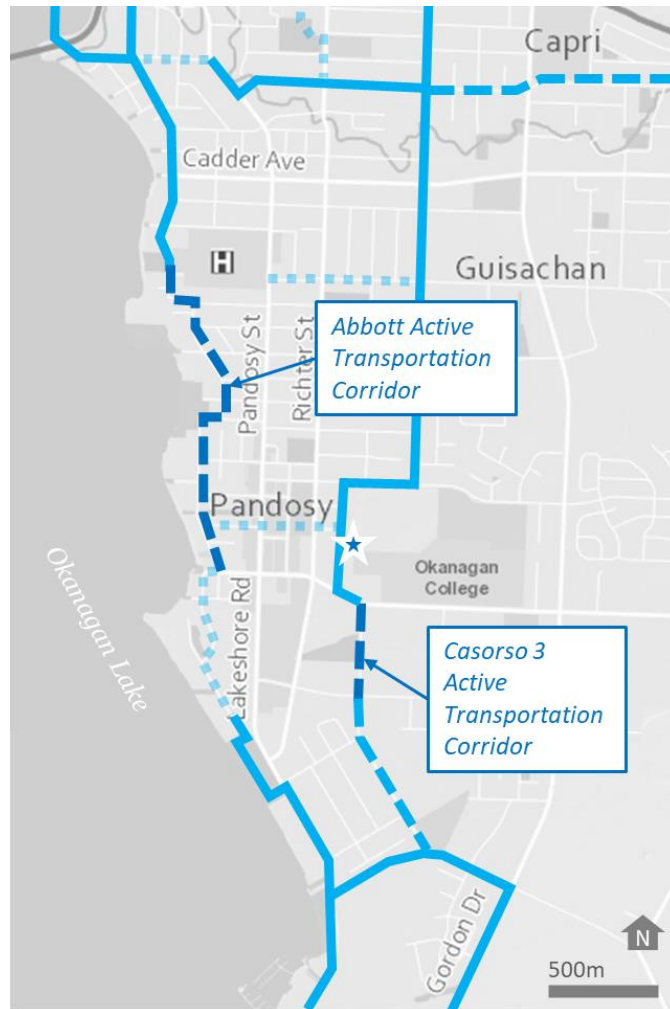


Figure 1 - Kelowna's existing and future All Ages and Abilities (AAA) network mapped with the Abbott ATC and Casorso 3 projects highlighted.

Cost challenges on Abbott

Based on the construction tender prices, updated land costs, and construction service engineering fees, a total budget of \$2,496,285 is projected to be required to complete Abbott. Including carryover, the current 2022 project budget is \$2,008,400. This budget shortfall of \$380,026 was the result of the following changes;

- Construction cost escalation made up the majority of the cost increase, with individual line items increasing by 15-20% compared to last year,
- Additional interim infrastructure required along the South Pandosy Waterfront Park as the park project was unable to complete its ultimate frontage works as planned in 2022,
- Additional minor land acquisition requirements to accommodate ultimate infrastructure near the Hospital, and
- Engineering and professional services costs also increased to a small degree.

Cost challenges on Casorso

Based on current 95% design detail cost estimates, and construction service engineering fees, a total budget of \$ 1,672,298 is projected to be required to complete Casorso 3 DCC ATC (KLO to Lanfranco). Including carryover, the current 2022 project budget is \$1,169,500. This budget shortfall of \$502,798 was the result of the following changes;

- Construction cost escalation made up the majority of the cost increase, with individual line items increasing by 15-20% compared to last year,
- Additional construction scope due to unseen electrical cost to meet current lighting standards, upgrades to existing KLO half signal and provisions to accommodate future traffic signals at Lanfranco & Casorso intersection,
- Additional construction scope, including maintaining more on-street parking, as a result of feedback received from the public engagement,
- Engineering and professional services also increased but to a small degree.

Active Transportation Grant Funding

In July of 2021, the Houghton 1 project received a \$2.4m [ICIP COVID-19 Resilience Infrastructure Grant](#) from the Government of Canada and the Province of British Columbia; displacing other project funding sources including; \$543,710 returned to the Sector I Transportation DCC Reserve (R749), \$1,414,400 returned to the Community Works Fund (R837) and, \$480,030 of taxation. A portion of these funds were used to address final construction costs for Houghton 1. It is proposed that remaining Community Works funds be used to address funding shortfalls on Abbott and Casorso.

This report requests additional funds to address cost escalation and facilitate the construction of the Abbott and Casorso ATCs. Proposed funding amendments would reallocate funds from previous year senior government ATC project grants and have no impact on current year general taxation.

Financial/Budgetary Considerations:

Additional budget is required to accommodate the unforeseen cost escalation for both the Abbott and Casorso 3 projects. The additional funding will be funded from the Community Works Fund and the DCC Sector I reserve. The funding splits are noted in the table below:

Casorso 3 DCC (KLO Rd – Lanfranco Rd), ATC	
Community Works Fund (R837) reserve	\$390,674
DCC Sector I (R749) reserve	\$112,124
Total Funding Required	\$502,798
Abbott DCC (Rose Ave – Cedar Ave) Protected Bike Lane Project	
Community Works Fund (R837) reserve	\$320,704
DCC Sector I (R749) reserve	\$59,322
Total Funding Required	\$380,026

Internal Circulation:

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Considerations applicable to this report:

Financial/Budgetary Considerations:

Considerations not applicable to this report:

Legal/Statutory Authority:

Legal/Statutory Procedural Requirements:

Existing Policy:

External Agency/Public Comments:

Communications Comments:

Submitted by: Chad Williams, Senior Transportation Planning Engineer

Approved for inclusion: M. Logan, Infrastructure General Manager

cc: Divisional Director, Corporate Strategic Services
Divisional Director, Partnerships and Investments
Divisional Director, Planning and Development Services
Divisional Director, Financial Services