

Report to Council



Date: October 2, 2017
Rim No. 1405-01
To: City Manager
From: Jerry Dombowsky, Transit and Programs Manager
Subject: Project Budget Transfer Requests - Rapid Bus and Transit Exchanges

Recommendation:

THAT Council receive, for information, the report from the Transit and Programs Manager, dated October 2, 2017 regarding the Project Budget Transfer Requests - Rapid Bus and Transit Exchanges;

AND THAT Council approve the funding transfer from the Rapid Bus Transit Stations Land project to the Rutland Transit Phase 2 project;

AND THAT Council approve the proposed Regionally Significant Gas Tax federal grant funding transfer from the Queensway Transit Pavilion project to the Rutland Transit Phase 2 project;

AND THAT the Mayor and Council approve the amendment to the 2017 Financial Plan;

AND FURTHER THAT Council direct staff to seek a Regional board motion to remove the Queensway Security Pavilion from the 2009 Regionally Significant Gas Tax Funding agreement.

Purpose:

To access and utilize surplus budget from the Rapid Bus project and unused Gas Tax budget from the Queensway Security Pavilion project, re-allocating this combined funding to the Rutland Transit Exchange – Phase 2 project.

Background:

The Rapid Bus project, initiated in 2007, reached final completion in 2016. Internal budget transfers are required to transfer surplus Rapid Bus Transit Station Land project budget to the Rutland Transit Exchange Phase 2. Approval of transfer of Gas Tax funding from the Queensway Transit Pavilion project to the Rutland Transit Exchange Phase 2 project is also being requested.

Rapid Bus surplus transfer:

Phase 1 of the Rutland Transit Exchange was completed in 2013. Phase 2 of the project will allow the Transit Exchange to function fully as a transit hub, while supporting the connectivity and urban design of the Rutland town center. Completion of this Exchange will allow restructuring of transit services in the Rutland Area, improving efficiency and connectedness with all the key employment and education destinations in the region including UBCO. The project is estimated at \$2.8 million in total, however a functional phase 2 could be delivered with \$2.1 million. A \$2.8m federal grant submission has been made to fund this project, however, these funds are not secured and this project is a priority for 2018. Preliminary design and public consultation is complete; however, detailed design is required for a more accurate construction schedule and project delivery options.

The project can be initiated in 2017 and completed in 2018. Depending on the outcome of the federal grant application, additional reserve and taxation funding may be requested in the 2018 budget should the grant application be denied, to supplement the required \$2.1m. The result of the grant application is expected to be announced by year end 2017.

Gas Tax Allocation transfer to Rutland Transit Exchange Phase 2 project:

The Queensway Security Pavilion/Public Washroom project is being deferred due to budget constraints. A proposal for Round 2 Public Transit Infrastructure Program (PTIP) funding is being prepared to accommodate future delivery of this project.

Council's approval of the above budget transfer action is respectfully requested.

Internal Circulation:

Financial Planning Manager

Financial/Budgetary Considerations:

The City of Kelowna's financial contribution for land acquisition for Rapid Transit Stations, Land has surplus funding of \$1,095,417. This surplus is requested to be transferred to the Rutland Transit Exchange Phase 2 for the initiation of detailed design in 2017.

Regionally Significant Project Gas Tax of \$250,500 is presently funding the Queensway Transit Pavilion. This Gas Tax funding is proposed to be re-allocated to the Rutland Exchange Phase 2. A Regional Board motion to remove the Queensway Transit Pavilion as an eligible project in the Gas Tax Agreement will be sought subsequent to Council approval of this budget transfer request. The Rutland Transit Exchange is defined within the Gas Tax Agreement as an eligible project for use of funds. A project completion date extension has been approved to no later than September 30, 2018.

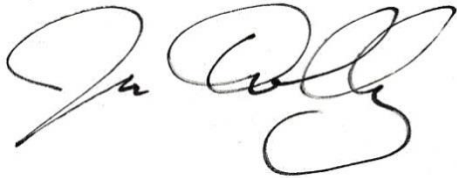
Considerations not applicable to this report:

Legal/Statutory Authority

Legal/Statutory Procedural Requirements

Existing Policy
Personnel Implications
Communications Comments
Alternate Recommendation
External Agency/Public Comments

Submitted by:



J. Dombowsky, Transit and Programs Manager

Approved by, Rafael Villarreal, Manager, Integrated Transportation Department

Approved for inclusion:



A. Newcombe, Divisional Director, Infrastructure

Attachment 1: Rutland Transit Exchange Phase 2 background report 2017-10-02

Attachment 2: Rutland Transit Exchange Phase 2 Funding Report to Council Presentation 2017-10-02

cc: Divisional Director, Financial Services
Divisional Director, Infrastructure