

Report to Council



Date: December 11, 2017
File: 0710-60
To: City Manager
From: Andrew Gibbs, Senior Project Manager
Subject: 2017 Budget Amendment - Okanagan Rail Corridor, Canada 150 Grant Funding

Recommendation:

THAT Council receives for information the report from the Senior Project Manager dated December 11, 2017 regarding the 2017 Budget Amendment for the Okanagan Rail Corridor project;

AND THAT the 2017 Financial Plan be amended to include \$80,000 from the Community Futures Development Corporation of the North Okanagan (Community Futures);

AND FURTHER THAT Council approve the additional expenditure for the Okanagan Rail Corridor project for the purposes of procuring and paying for design and construction services associated with development of the rail trail.

Purpose:

To increase the 2017 budget for the Rail Trail Project to account for additional costs associated with and eligible for Canada 150 Grant funding.

Background:

The City of Kelowna (CoK) is involved in the development of a rail trail along the extant CN corridor between Kelowna and Coldstream, in partnership with Okanagan Indian Band (OKIB), District of Lake Country (DLC) and the Regional District of North Okanagan (RDNO), under the leadership of the jointly commissioned Interjurisdictional Development Team (IDT) for the rail trail project. Additionally, the project is supported by the fundraising leadership of the Okanagan Rail Trail Initiative (ORTI), with the public donations raised being received and managed by the two local foundations (i.e. Central Okanagan Foundation and the Community Futures Development Corporation of the North Okanagan).

In March 2017, the rail trail project received a Canada 150 grant. The grant was applied for on behalf of the project by Community Futures Development Corporation of the North Okanagan (Community Futures). The total value of this grant, for selected project work along the entire corridor, is \$943,000;

funded half from the Canada 150 Program and half from public donations to Community Futures. Of this, \$80,000 is allocated to the City of Kelowna for grant-eligible work within the City (i.e. surveying, archaeology, design, access controls).

The grant was originally set up to be managed and claimed through Community Futures. However, in order avoid having to pay the full goods and services tax and to meet the needs for each local government owner to retain contractors directly and be responsible for the contractual and liability relationship with them, and the inability of Community Futures to do the same, the relationship between the granting agency and the project is being changed. By mutual consent of the IDT, Community Futures and the granting agency, the grant agreement is being amended so that each owner benefitting from the grant (i.e. CoK, DLC, RDNO) can make claims from the grant program for their design and construction costs through Community Futures. Community Futures will still be the primary point of contact with the grant program. The IDT will coordinate the claims of the jurisdictions.

In order to do this, it is necessary to increase the 2017 Budget for the rail trail project to account for the additional eligible costs covered by the Canada 150 grant.

Internal Circulation:

Divisional Director, Infrastructure
Manager, Financial Planning
Director, Strategic Investments
Department Manager, Infrastructure Delivery

Considerations not applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Existing Policy:
Financial/Budgetary Considerations:
Personnel Implications:
External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

Submitted by:

A. Gibbs, Senior Project Manager

Approved for inclusion:



cc: Divisional Director, Infrastructure
Manager, Financial Planning
Director, Strategic Investments
Department Manager, Infrastructure Delivery

