

Summary of Spring 2022 SCBA Recommendations

Contents

Summary of Recommended Spring 2022 SCBA Adjustments	2
Breakdown of Spring 2022 SCBA Adjustments	2
3.1 New Profiles Recommended for Funding	3
3.2 Scope Changes	5
3.3 Recosting	8
3.4 Historical Adjustments	11
3.5 Funding Source Adjustments (Council)	12
3.6 Transfers in Excess of \$5 Million Between Profiles	12

Summary of Recommended Spring 2022 SCBA Adjustments

The following is a high-level summary of the total impact to the approved capital budget.

No.	Budget Adjustment Type	Impact to Capital Budget (\$ millions)
3.1	New Profiles Recommended for Funding	\$48.8
3.2	Scope Changes	\$73.8
3.3	Recosting (Increases - \$13.0; Decreases - (\$0.1))	\$12.9
3.4	Historical Adjustments	(\$0.8)
3.5	Funding Source Adjustments	\$ -
3.6	Transfers in Excess of \$5 Million Between Profiles	\$ -
	Total	\$134.7

Breakdown of Spring 2022 SCBA Adjustments

The following sections provide an overview of the adjustments within each of the categories of the Spring 2022 SCBA. Full details are shown in the Detailed Spring 2022 SCBA Report in Attachment 3. New profiles for capital projects being recommended for funding are included in Attachment 4.

3.1 New Profiles Recommended for Funding

New profiles recommended for funding are categorized as profiles requesting new funding, profiles requesting pre-approval of 2023-2026 funding, and new standalone profiles requesting funding from existing composite profiles. The latter two categories include profiles that are at Checkpoint 3 of the PDDM process and are seeking pre-commitment of funds from the 2023-2026 capital budget or a transfer of delivery dollars from an existing approved composite profile, respectively.

All new profiles recommended for funding would result in a net increase of \$48.8 million to the approved capital budget. The total value of all new capital profiles recommended for funding is \$108.5 million, which is offset with transfers from existing composite profiles in the amount of \$59.7 million. The following table summarizes the impact by category:

Table 1 (\$ millions)

	New Profiles requesting pre-approval of 2023-2026 (Table 1a)	New Standalone Profiles from Existing Composite Profiles (Table 1b)	Impact to Capital Budget
Total Value of New Capital Profiles	\$86.4	\$22.1	\$108.5
Less: funding transfers from existing approved budgets	(38.3)	(21.4)	(59.7)
Net Impact to Approved Capital Budget	\$48.1	\$0.7	\$48.8

New Profiles Requesting Pre-Approval of 2023-2026 Funding

Administration is recommending the following two new capital profiles that require a \$48.1 million in new funding, including a precommitment of \$34.0 million from the 2023-2026 budget cycle to fund expenditures in those future years.

Table 1a

Ref	Profile Number	Profile Name	Amount (\$ millions)
3.1-1	22-40-9029	Pleasantview Neighbourhood Reconstruction	\$47.4
3.1-2	22-40-9028	Killarney Neighbourhood Reconstruction	\$39.0
Total			\$86.4
Less: New Standalone Profiles funded with transfers from existing approved budgets			(\$38.3)
Net Impact to Approved Capital Budget			\$48.1
(Consists of \$34.0 million commitment of 2023-2026 Neighbourhood Renewal Funding, and \$14.0 million of new Local Improvement Property Tax Share and Partnership funding over the life of the projects)			

Further details of these projects are included within the new standalone profiles in Attachment 4.

New Standalone Profiles Requesting Funding from Existing Approved Profiles

Administration is recommending that Council approve four new capital profiles that are primarily funded with transfers from existing approved profiles. These profiles contain projects originally within the scope of the approved composite profiles that have completed a sufficient level of planning and design (reached Checkpoint 3) and are being created as a standalone profile in compliance with capital budget practices (\$2 million or greater for growth projects and \$5 million or greater for renewal projects).

The total value of all four profiles is \$22.1 million, funded with \$21.4 million from already existing profiles and \$0.7 million from a new Canada Community Revitalization Funding (CCRF) grant.

The table below provides a summary of the four new profiles included in this category that make up the \$22.1 million.

Table 1b

Ref	Profile Number	Profile Name	Amount (\$millions)
3.1-3	22-22-9701	Gateway Blvd Renewal (University Avenue to 82 Avenue)	\$6.9
3.1-4	22-12-9008	Mill Creek Pool Rehabilitation	\$6.6
3.1-5	22-34-9400	Capilano Bridge Trail (Southwest) Repair	\$6.1
3.1-6	22-10-9312	Commonwealth Recreation Centre Solar Photovoltaic Project	\$2.5
Total			\$22.1
Less: New Standalone Profiles funded with transfers from existing approved budgets			(\$21.4)
Net Impact to Approved Capital Budget			\$0.7
(Consists of new Federal grant funding made available to Gateway Blvd Renewal (University Avenue to 82 Avenue) project)			

Further details of these projects are included within the new standalone profiles in Attachment 4.

3.2 Scope Changes

Scope change adjustments are required when projected costs for capital profiles have increased or decreased to accommodate changes in the scope of work originally planned. Recommended scope changes are categorized as follows:

- Scope change increases requesting new funding
- Scope change increases requesting funding be transferred from an existing approved budget

Scope changes recommended in the Spring 2022 SCBA will result in an increase of \$73.8 million to the approved capital budget.

Table 2

	Impact to Capital Budget (\$millions)
Total Value of Scope Change Increases	\$81.4
Less: Scope Change Increases funded with transfers from existing approved budgets	(\$7.6)
Net Impact to Approved Capital Budget	\$73.8

Scope Change Increases Requesting New Funding

Scope changes recommended for new funding are as follows:

3.2-1. 20-20-2022 - New Transit Bus Garage (Land Acquisition) (\$45.0 million)

This scope change is required to fund the acquisition of land to advance to concept and preliminary design for the new southeast garage in "20-20-2022 - New Transit Bus Garage", which is a critical component to the implementation of the ETS Fleet Storage and Maintenance Facility Strategy. Additional details are provided in the June 7, 2022 Integrated Infrastructure Services report "IIS01208 - ETS Fleet Storage Facility Update and Land Acquisition".

3.2-2. 19-22-9006 - Terwillegar Drive Expressway Upgrades - Alternate Staging (\$19.5 million)

This scope change is required to allow for integration of the renewal work for the Rainbow Valley Bridges with the bridge widening included in the Terwillegar Drive Expressway Upgrade project. The total cost of this work is estimated to be \$19,500,000, and would be funded with tax-supported debt. This funding is required now to allow the preliminary construction activities to advance without unnecessarily extending the overall construction schedule or adding additional expense by having it advance separately.

3.2-3. 14-66-2570 - Parking Control Technology (\$2.8 million)

This scope change is required to fund the procurement and implementation of retrofitting 431 e-Park machines which will not be Europay, Mastercard and Visa (EMV) compliant for VISA transactions on Oct 15th, 2022 and potentially Mastercard at a later date. This will result in a penalty of 15 cents per transaction processed for the COE and a potential loss of revenue. The total cost of retrofitting the 431 machines is \$2,800,000, and would be funded with new Pay-As-You-Go funding from the corporate pool.

3.2-4. 20-12-0230 - Ortona Armoury Arts Building Renewal (\$1.7 million)

This scope change is required to add \$1,700,000 in funding from the Canada Cultural Spaces Fund Program to the Ortona Armoury Arts Building Renewal project. Details of the additional scope elements are still being confirmed with the Federal Government.

Scope Change Increases Requesting Funding From Existing Budget

Scope changes recommended to be funded with a transfer from an existing approved budget (and therefore have no impact on the City's overall capital budget) are as follows:

3.2-5. 21-10-9103 - Iron Works Building Rehabilitation (\$7.3 million)

This scope change is required to complete the construction of Stage 2 Building upgrade and allow Stage 3 Tenant Fitup. Significant additional hazardous material abatement, structural modifications and required improvements and unforeseen scope, as well as supply chain and COVID-19, has affected the schedule and costs for the project. The scope of work will be funded with a transfer from existing capital profile "15-57-4031 - The Quarters Downtown - Phase II" (\$2,500,000), with the remaining additional funding being new Quarters Community Revitalization Levy Debt (\$7,000,000) and Canada Cultural Spaces Fund (CCSF) Grant (\$308,159).

The estimated completion date of the Iron Works Building Rehabilitation capital profile will be changed from December 2023 to April 1, 2024 upon approval of this scope change.

3.2-6. 21-60-1472 - CRIMM - CAD-RMS Integration, Modernization and Maximization (\$5.1 million)

This scope change is required to support real time analytics and application integration for "21-60-1472 - The Computer Automated Dispatch and Records Management System Integration, Modernization, and Maximization (CRIMM) project". The additional \$5,050,000 will be funded with a transfer from other EPS profiles "18-60-7018 - EPS Westwood Central Stores Renovations

(\$185,662), "20-60-1620 - In-Car Video" (\$4,016,244), "CM-60-1419 - Telecom Life Cycle" (\$707,000), and "CM-60-1771 Police Equipment" (\$141,094).

3.2-7. CM-99-9000 - Infrastructure Delivery - Growth (\$NIL)

This scope change is required to develop a temporary site suitable for hosting festivals and events while the William Hawrelak Park renewal work is completed. In order to minimize disruption for stakeholders during the ongoing renewal work, an alternative site for various festivals and events typically held in the park is required. This new scope of work would be funded with existing approved budget within the "CM-99-9000 - Infrastructure Delivery - Growth" capital profile.

3.3 Recosting

Recosting adjustments are required when an approved capital project is projected to be over or under budget. This can occur when tenders on capital projects are over or under the budget. Recommended recosting adjustments are categorized as:

- Recosting increases requesting new funding
- Recosting increases requesting funding to be transferred from an existing approved budget
- Recosting decreases with funding released
- Recosting decreases with funding transferred back to original composite profiles

Recosting adjustments recommended in the Spring 2022 SCBA will result in a net \$17.3 million increase to the approved capital budget.

Table 3

	Recosting Increases			Recosting Decreases			Combined Impact to Capital Budget
	Requiring New Funding	Funded with Transfers	Total	Funding Releases	Funding Transfer to Composites	Total	
Total Value of New Recosting Adjustments	\$13.0	\$31.8	\$44.8	(\$0.1)	(\$39.4)	(\$39.5)	\$5.3
Less: funding transfers from existing	-	(31.8)	(31.8)	-	39.4	39.4	7.6

approved budgets							
Net Impact to Approved Capital Budget	\$13.0	\$ -	\$13.0	(\$0.1)	\$ -	(\$0.1)	\$12.9

Recosting Increases Requesting New Funding

Recosting adjustments recommended for new funding are as follows:

3.3-1. CM-25-1001 - Vehicle and Equipment Replacement (\$12.6 million)

This recosting adjustment is required to fund \$12,600,000 of vehicle orders arriving in 2023. Due to supply chain issues, vehicle purchases require approximately a year of lead time, and therefore a pre-approval of 2023-2026 Fleet Services Replacement Reserve funding is being requested for approval.

3.3-2. 20-40-9018 - NRP Recon - Grandview Heights (\$0.3 million)

This recosting adjustment is required to fund \$256,798 of additional costs incurred for the "Neighbourhood Renewal Program Reconstruction - Grandview Heights" project through the Local Improvements Property Tax Share.

3.3-3. 16-66-4015 - NRP Recon - Bellevue (\$0.1 million)

This recosting adjustment is required to fund \$75,423 of additional costs incurred for the "Neighbourhood Renewal Program Reconstruction - Bellevue" project through the Local Improvements Property Tax Share.

Recosting Increases Requesting Funding from Existing Approved Budget

Recosting adjustments requesting a transfer from an existing approved budget (no impact to the City's overall capital budget) are as follows:

3.3-4. 21-20-9302 - Yellowhead Trail - Fort Road Widening (\$23.7 million)

This recosting adjustment is required due to higher than estimated costs on the reconstruction of the CN Rail bridge structure, land purchases and an increase in the scope of work related to the new EPCOR Water utility and roadway improvements along 66 Street, between Yellowhead Trail and Fort Road. The total cost increase of \$23,728,000 will be funded with a transfer from existing capital profiles "CM-99-9600 - Yellowhead Trail Freeway

Conversion: Project Delivery" (\$19,728,000), and "CM-99-0060 - Yellowhead Trail Freeway Conversion: Project Development" (\$4,000,000).

3.3-5. 19-10-1011 - Stadium LRT Station Upgrade (\$5.1 million)

This recosting adjustment is required due to supply chain issues (availability and pricing), unforeseen site conditions, additional design changes required to satisfy code and project outcomes, impacts due to extreme weather, and additional COVID-19 related impacts. The total cost increase is \$5,054,000, and will be funded with a transfer from existing capital profile "08-66-1672 - Metro Line LRT (Downtown to NAIT)".

3.3-6. 21-10-9104 - Centennial Plaza Renewal (\$2.0 million)

This recosting adjustment is required to fund higher than expected costs for capital profile "21-10-9104 - Centennial Plaza Renewal". This \$1,950,000 adjustment will be funded with a transfer from the existing capital profile "CM-74-4100 - Downtown CRL".

3.3-7. 15-74-4104 - Warehouse Campus Neighbourhood Central Park Land Acquisition (\$1.0 million)

This recosting adjustment is required to fund higher than expected costs for capital profile "15-74-4104 - Warehouse Campus Neighbourhood Central Park Land Acquisition". This \$1,000,000 adjustment will be funded with a transfer from the existing capital profile "CM-74-4100 - Downtown CRL".

Recosting Decreases - Funding Releases

Recosting adjustments that result in a net decrease to the City's approved capital budget are as follows:

3.3-8. 17-21-1000 - Edmonton Soccer Association South Soccer Centre Expansion (\$0.05 million)

This recosting adjustment is required to reduce the partnership funding for the project by \$50,000 as some equipment originally to be procured and owned by the City will now be procured and owned by the partner.

Recosting Decreases - Funding Transferred Back to Original Composite Profiles

Recosting adjustments where funding is transferred back to the composite profiles where it was originally transferred from are as follows:

3.3-9. CM-25-0000 - Transportation: Neighbourhoods - Renewal (\$20.5 million)

This recosting adjustment is required to transfer \$20,467,000 of unspent Neighbourhood Renewal Reserve funding from various profiles, back to the

original composite profile "CM-25-0000 - Transportation: Neighbourhoods - Renewal".

3.3-10. 20-40-9019 -NRP/NARP Recon - Lorelei Neighbourhood and Alleys (10.0 million)

This recosting adjustment is required to transfer \$10,000,000 of Neighborhood Renewal Reserve from "20-40-9019 NRP/NARP Recon-Lorelei Neighbourhood and Alleys", to the "CM-25-000 Transportation: Neighbourhoods - Renewal" profile where the funding originated, due to lower than anticipated costs.

3.3-11. 19-90-4100 - Affordable Housing Land Acquisition & Site Development and CM-40-9001 - Rural and Industrial Road Upgrading (\$6.9 million)

This recosting adjustment is required to transfer \$6,885,708 of funding from the five affordable housing standalone profiles that is no longer required due to all five projects being completed or nearing completion. Based on the updated estimate, construction and contingency, project costs were lower than anticipated. \$5,047,072 of this amount will be transferred back to existing profile "19-90-4100 - Affordable Housing Land Acquisition & Site Development". The remaining \$1,838,636 is Municipal Stimulus Funding, which will be transferred to existing profile "CM-40-9001 - Rural and Industrial Road Upgrading", in order to ensure full utilization of the grant funds.

An estimated \$1,500,000 of the Pay-As-You-Go funding being returned to profile "19-90-4100 - Affordable Housing Land Acquisition & Site Development" will subsequently be transferred, via an Administrative Adjustment, to the Affordable Housing & Homelessness operating budget. This funding will be used for subsidy agreements to Homeward Trust Holding Company in respect of costs relating to Furniture, Fixtures and Equipment for the five permanent supportive housing sites.

3.3-12. 15-74-4031 - The Quarters Downtown - Phase II and 15-74-4109 - Future Phase Green and Walkable - Other Streets (\$2.0 million)

This recosting adjustment is to transfer remaining funds from capital profile "19-20-5001 - Streetscape Improvements (97 St: Jasper Ave to 102 Ave)" to other existing Community Revitalization Levy funded profiles "15-74-4031 - The Quarters Downtown - Phase II" and "15-74-4109 - Future Phase Green and Walkable - Other Streets". The funding is being transferred because the profile is substantially complete and is no longer required.

3.4 Historical Adjustments

This type of adjustment occurs when a change in a funding source in past years requires an adjustment to the overall budget of a profile. For example, changes in

projected partnership funding or developer financing could occur throughout the lifetime of the capital profile, or the City may receive additional grant funding.

There are five historical adjustments recommended in the Spring 2022 SCBA, which result in a net \$0.8 million decrease to the approved capital budget. Details of all five adjustments are included in Attachment 3.

3.5 Funding Source Adjustments (Council)

This type of adjustment is strictly for funding source adjustments that normally result in no change to the overall budget of a profile, however requires Council approval because they involve debt financing or a specific level of reserve funding. Composite profiles are also included as part of this process.

Funding source adjustments recommended in the Spring 2022 SCBA will not have an impact on the approved capital budget.

3.6 Transfers in Excess of \$5 Million Between Profiles

Approved profiles with transfers between them that exceed \$5 million need to be approved by City Council. The net result is an overall adjustment of \$0 to the approved capital budget. Some transfers that are under \$5 million are also included within this category due to the type of funding source or additional transparency, as deemed necessary.

Only one transfer adjustment was recommended in the Spring 2022 SCBA, as follows:

3.6-1. 16-66-7018 - Capital Line South LRT: Century Park to Ellerslie Road (\$60.0 million)

This adjustment is required to transfer the Operating and Maintenance Facility originally planned for capital profile "16-66-7013 - Metro Line LRT (NAIT - Blatchford) Extension" to capital profile "16-66-7018 - Capital Line South LRT: Century Park to Ellerslie Road", which was approved by the Federal Treasury Board.