

Project Specific Variance Explanations - 2019-2022 Budget Cycle

Figures contained in this attachment reflect budget and actual capital expenditure data within the 2019-2022 budget cycle, this was done to address questions about spend rates and variances that at times occur within the budget cycle.

Quarterly financial updates prepared for Council present projects as a whole, project expenditures to date rather than project expenditures within a particular budget cycle. The project statuses reported quarterly (red, yellow, green) are also based on a comparison of project budgets and expenditures incurred up to the date of reporting. Information for any projects listed below at the project level can be found in the quarterly financial updates and on Building Edmonton.

| Project | Budget 2019-2022 (within the 4 year cycle) | Actual 2019-2022 (within the 4 year cycle) | Variance (within the 4 year cycle) | Explanation |
|---|---|---|---|--|
| 16-66-7013 Metro Line LRT (NAIT to Blatchford) Extension | \$216.6M | \$152.3M | \$64.3M | Light rail vehicle (LRV) procurement was delayed pending the approval of the Capital Line South project because LRVs for both projects will be procured together. Overall, the project is on schedule. |
| 16-66-7017 Valley Line LRT: Downtown to Lewis Farms | \$1,145.8M | \$284.4M | \$861.4M | The project delivery strategy was revised during the procurement phase as a result of market feedback. The single procurement originally planned was divided into two separate procurements. That resulted in a one-year delay to the capital expenditures from the original plan. |
| 16-66-7018 Capital Line South LRT: Century Park - Ellerslie Road | \$143.8M | \$32.8M | \$111.0M | The original budget timeline included an assumption that all funding partner approvals would be received in 2021, however, approvals were not received until April 2022. This has resulted in an overall delay to the project. |

Attachment 1

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|--|------------|----------|----------|---|
| 11-66-1673 Valley Line LRT | \$1,010.6M | \$885.2M | \$125.4M | TransEd's project delays have resulted in expenditures shifting into 2023. |
| 14-02-2106 Blatchford Redevelopment Implementation | \$189.9M | \$48.0M | \$141.9M | Due to factors such as real estate market, district energy decision and custom development planning and engineering the timing of development has not achieved what was predicted in the original 2014 business case. The spend to date reflects this. With Stages 1, 2 and 3 completed, and stage 5 ready for servicing, the pace of development is expected to increase. The project is still planned to be complete by 2038. |
| 18-66-6503 50 Street CPR Grade Separation | \$84.5M | \$51.4M | \$33.1M | The variance is due in part to multiple factors including; <ul style="list-style-type: none"> • Capital funding cashflow established early in the project development phase and before PDDM Checkpoint 3; • Delays in timing of land acquisitions; and • Market conditions during the tender phase. The overall completion is still on target for budget and schedule. |
| 19-22-9006 Terwillegar Dr Expressway Upgrades - Alternate Staging | \$120.7M | \$43.1M | \$77.6M | The variance is due primarily to design and scope adjustments necessary to align the funding constraints and technical requirements before PDDM Checkpoint 3. Initiation of Stage 2 spending has been delayed however the overall completion is still on target. |
| Yellowhead Trail Profiles <ul style="list-style-type: none"> • CM-99-0060 : Project Development | \$456.3M | \$343.0M | \$113.3M | The variance is due in part to multiple factors including; <ul style="list-style-type: none"> • delays early in the project development phase for |

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|---|----------------|----------------|-------------|---|
| <ul style="list-style-type: none"> • CM-99-9600 Project Delivery • 16-66-2214 / 21-20-9302 - Fort Road Widening • 17-66-2307 / 21-20-9301 - 149 Street (156 Street - St Albert Trail) • 20-20-9201 - 123 Avenue: 156 Street to 142 Street • 20-20-9202 - East Widening (61 St to North Saskatchewan River) | | | | <p>segments where planning and design was incomplete at time of funding approval</p> <ul style="list-style-type: none"> • Delays in the timing of land acquisition which has created cascading effects with timing of early works activities like utility relocations. <p>The overall completion is still on target for budget and schedule.</p> |
| <p>Open City and Technology Profiles</p> <ul style="list-style-type: none"> • 19-18-1901 - Information Security and Disaster Recovery Enhancements • 19-18-1903 - Recreation and Attractions Management (RAMS) Program • 19-51-1904 - Next Generation 9-1-1 (NG911) IP Call Handling • CM-18-1510 - Technology Applications - Renewal • CM-18-1514 - Technology Implementation - Growth • CM-18-1515 - Technology Infrastructure - Renewal • CM-18-1517 - Technology Planning - Growth | <p>\$53.5M</p> | <p>\$50.5M</p> | <p>\$3M</p> | <p>A total of \$2.6 million was approved as a carry forward to use in 2023. The carry forward dollars were required primarily due to:</p> <ul style="list-style-type: none"> ○ Vendor delays / issues. The majority of these vendor issues were not within OCT's control. ○ Global supply chain disruptions resulting in materials being delivered later than expected. ○ Impacts of other projects being delayed. For example, OCT was not able to install fibre on construction projects until the work had been finished on those assets. ○ Contract negotiation / vendor selection challenges. <p>The remaining \$0.4 million was deemed a surplus.</p> |