

Integrated Infrastructure Services
LRT Expansion and Renewal

Edmonton

**FCS02504 Bylaw 20866 to amend
Revised Bylaw 19781**

June 11/12, 2024

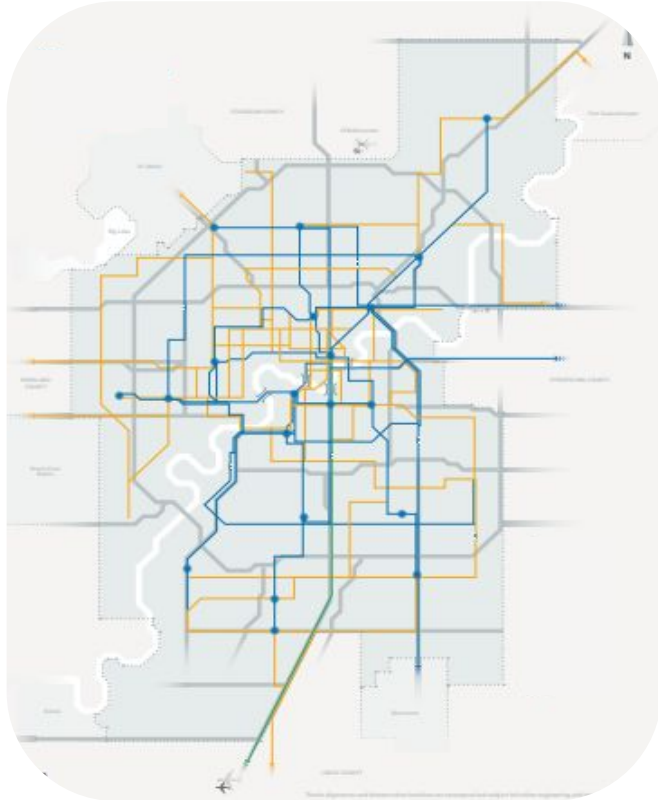
LRT Network Plan

- Adopted in 2009
- LRT as the backbone of the mass transit network
- Updated to reflect The City Plan and Mass Transit Strategy



The City Plan and Mass Transit Strategy

- 2019 study undertaken to inform The City Plan
- Considered an expanded mass transit network to complement city-wide LRT
- LRT and BRT to serve a growing population and shape future development



Project Benefits

- Rapid population growth is putting pressure on all transportation modes
- Ridership modelling from 2018 indicates:
 - Twin Brooks station: approximately 1,500 daily boardings by 2050
 - Heritage Valley North station: approximately 11,000 daily boardings by 2050
- Additional economic and social benefits include:
 - **Jobs** - projected to generate 9,500 FTE jobs during design, construction and 30-year O&M period.
 - **Wages & salaries** - projected to generate \$1.0B in wages and salaries during design, construction and 30-year O&M period.
 - **Environmental benefits** - modeling indicates the project will reduce GHG emissions by 78 tonnes per day, or over 270,000 tonnes by 2050.
 - **Tax revenue** - projected to generate \$88M in tax revenue for Alberta and \$211M for the rest of Canada through construction and 30-year O&M period.

Capital Line South LRT - Procurement Recap

- Four bidders responded to the Request for Qualifications (two shortlisted)
- Capital Line Design-Builders was selected as preferred bidder in April 2024
- Financial bid was above the affordability target for the scope of work
- Financial bid was only valid until May 29

May 22 Special City Council Meeting

- Administration recommended to Council to increase the budget for the project so the contract could be awarded before the bid expired
- Time constraints put Administration and Council in a challenging position
- If the bid expired, there was a high likelihood costs would further increase
- Council approving the budget adjustment allowed the project to continue while also giving the City time over the coming months to advocate for additional partner funding
- Meeting was held in-private due to active procurement and confidential contractual items

Budget Adjustment

- Increased construction costs, risk and market volatility impacting construction market
- Project team has worked closely with the preferred bidder to reduce costs while maintaining project benefits and value for Edmontonians
- Council approved \$179 million in net-new tax-supported debt to cover the financial shortfall

Capital Line South Extension Budget Increase	\$242M
Less: Transferred Savings from Valley Line South East	(63M)
Total Net New Tax-Supported Debt	\$179M

- Estimated total tax levy increase of 0.54%, phased in from 2028 to 2031

2028	2029	2030	2031
0.07%	0.29%	0.17%	0.01%

Next Steps

- This Bylaw will be advertised in the Edmonton Journal on Friday, June 14, 2024, and Friday, June 21, 2024. The bylaw will be ready for second and third readings on or after July 9, 2024.
- Over the coming months, the City will continue to advocate to funding partners for potential funding solutions and additional dollars
- LRT Expansion & Renewal follows an Accountability, Transparency and Disclosure Framework to ensure the public is informed of key project details
- Administration will post a redacted version of the Design-Build Project Agreement on the project website within 60 days of contract award