

APPROVAL OF SOLE SOURCE AGREEMENT WITH ATCO PIPELINES FOR THE CAPITAL LINE SOUTH LRT

Recommendation

That a sole source agreement between the City of Edmonton and ATCO Pipelines to relocate two pipelines to accommodate the Capital Line South LRT Extension, for an amount not to exceed \$2,000,000, as outlined in Attachment 1 of the April 2, 2025, Integrated Infrastructure Services report IIS02958, be approved, and that the agreement be in form and content acceptable to the City Manager.

Requested Action	Decision required		
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Urban Places		
City Plan Values	ACCESS		
City Plan Big City Move(s)	A community of communities	Relationship to Council's Strategic Priorities	Mobility network
Corporate Business Plan	Transforming the future		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> The City Plan 		
Related Council Discussions	<ul style="list-style-type: none"> N/A 		

Executive Summary

- Administration is seeking Executive Committee's approval to enter into a non-competitive, sole source agreement with ATCO Pipelines for a value up to \$2 million, excluding GST, to relocate two high-pressure gas pipelines in close proximity to the Capital Line South LRT extension.

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- ATCO Pipelines scope of work includes the alteration of existing ATCO mainlines intersecting the proposed Capital Line South Extension LRT alignment north of Ellerslie Road. This work will include the removal and subsequent installation of two 70-metre pipelines. It also includes surface works such as restoration of roads, sidewalks and landscaping.
- As this is a non-competitive, sole source procurement, Executive Committee approval is required. As ATCO is the owner/operator of the pipelines, no third party vendors are authorized to complete this work and the work must be conducted by ATCO Pipelines.

REPORT

Capital Line South LRT Extension (CLSE) is a critical infrastructure project designed to extend Edmonton's LRT network from Century Park LRT station to neighbourhoods further south, thereby supporting the city's growing transportation needs. As a key component of Edmonton's Mass Transit Strategy as outlined in The City Plan, the extension is intended to provide a more sustainable travel option, reduce traffic congestion and facilitate more compact future urban development.

Phase 1 of the CLSE extension will extend 4.5 kilometres south from the Century Park LRT station to the Heritage Valley Transit Centre and Park & Ride, just north of Ellerslie Road and east of 135 Street. This phase includes two new LRT stations, a new operations and maintenance facility (OMF), an LRT underpass at 23 Avenue and 111 Street and bridges over Blackmud Creek and Anthony Henday Drive.

Two existing ATCO pipelines are in close proximity to the future Heritage Valley North LRT station and are in conflict with proposed CLSE alignment. Administration is looking to enter into an agreement with ATCO Pipelines to relocate the two pipelines to mitigate utility conflicts. As ATCO is the owner/operator of the pipelines, no third party vendors are authorized to take on this work.

Budget/Financial Implications

Funding for the Capital Line South LRT extension has been approved through capital profile 16-66-7018 Capital Line, Century Park to Ellerslie Road.

The maximum value of the ATCO Pipeline relocation scope is estimated at \$2 million. This cost is accounted for within the approved Capital Line South Extension LRT capital budget and no additional budget approval is requested at this time.

Legal Implications

As per the City Administration Bylaw 16620, procurement agreements over \$1 million that do not arise from a competitive process must be approved by the appropriate Council Committee.

The City is subject to trade agreements that require an open competitive process for procurements of this value, unless a trade agreement exemption applies. For this procurement, the sole source exemption in each trade agreement applies.

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Community Insight

During concept planning (2008) and the preliminary design process (2010), there were a number of engagements with the public and stakeholders, including open houses, online surveys, stakeholder meetings, indigenous consultation, a formal Community Advisory Committee (CAC) and internal staff engagement activities. Further public engagement was completed between 2017-2018 and public information sessions were held in September 2018. This engagement has been an essential part of the development of the Capital Line South and helped inform the preliminary design.

The purpose of the CAC is to share timely project updates and gather diverse community perspectives from those who live along the Capital Line South alignment. This committee is not a decision-making body, but rather a way to continue hearing from the communities along 111 Street that will encounter increased construction activity as the project is built.

GBA+

The Capital Line South Extension is an important part of the LRT expansion portion of the Infrastructure Planning and Development 2022 City Priority and will assist the City in continuing to make transformation impacts. These transformational changes will be key to achieving the vision of the approved LRT Network Plan and providing multi-modal, universal access as the city grows to a population of 2 million as envisioned by The City Plan.

Environment and Climate Review

This report was reviewed for environment and climate risks. Based on the review completed, no significant interactions with the City's environmental and climate goals were identified within the scope of this report.

Attachment

1. ATCO Pipelines Agreement Term Sheet