

112 Avenue Reconstruction Project Budget Update

Project Scope, Timing and Funding Strategy

Recommendation:

That the April 30, 2014, Transportation Services report CR_1117, be received for information.

Report Summary

This report outlines the history of the budget allocation and scope changes associated with the 112 Avenue Reconstruction Project and identifies the updated funding strategy for the project. This report is coming to Council because of the significant change in scope and project cost as well as the overlap between the 2012 - 2014 Capital Plan and the 2015 - 2018 Capital Plan.

Previous Council/Committee Action

At the November/December 2011, City Council Budget meeting, the following motion was passed:

CAPITAL AMENDMENT 39

That Capital Profile 12-66-1020 Arterial/Primary Highway Renewal, for 112 Avenue (50 - 60 Street), 63 Avenue (100 - 103 Street), and 127 Street (118 Avenue - Yellowhead Trail), in the amount of \$20.394 million, be added to the 2012 - 2014 Capital Budget, with funding from fuel tax.

Report

At the March 13, 2013, Transportation Committee meeting, Transportation Services report 2013TS1056, which presented the results of a study to investigate the potential reduction of the number of traffic lanes along 112 Avenue through Highlands, including the rationale used to reach the decision to retain 112 Avenue as a four-lane roadway was received for information.

The section of 112 Avenue from 50 Street to 60 Street was identified as requiring reconstruction; however, the project was initially unfunded in the 2012 to 2014 Capital Budget submission. Through the 2012 to 2014 Capital Budget deliberations, a motion was made to add \$20.394 million to fund arterial reconstruction projects for the following locations:

- 63 Avenue (100 Street to 103 Street)
- 112 Avenue (50 Street to 60 Street)
- 127 Street (118 Avenue to Yellowhead Trail)

112 Avenue Reconstruction Project Budget Update - Project Scope, Timing and Funding Strategy

As the projects were not initially recommended for funding, the scope for these projects was not well defined. As a result, an initial project estimate value of \$5 million was set for each project to correspond to Capital Budget Guidelines for stand alone projects. The intent was that as the project design work was completed the project budget amounts would be updated in conjunction with the new estimates. Through 2012 and 2013, engineering design efforts were completed and more refined cost estimates became available.

In addition to the 112 Avenue rehabilitation work, public realm improvements were also included in the projects. These public realm improvements rolled out of the learnings from the 99 Street Reconstruction Project and the development of the Complete Streets Guidelines. Through this program scope evolution, the 112 Avenue project scope changed to include streetscape improvements and community public engagement as part of the Arterial Road Reconstruction Project.

During the spring 2012 Supplementary Capital Budget Adjustment the budget for the 63 Avenue project was amended to reflect the final design estimate. This resulted in the need to defer the 127 Street reconstruction project to the 2015 - 2018 Capital Priorities Plan.

In 2013, following Council's decision to not proceed with the lane reduction along 112 Avenue within Highlands, Administration engaged residents and businesses in the area in an effort to improve the urban design, landscaping and pedestrian realm along 112 Avenue. This input was used to develop the current proposed reconstruction design and resulted in additional costs above the current Project Profile Budget. A detailed engineering assessment identified that the boundaries of the 112 Avenue Project should include the section of 112 Avenue from 50 Street through to 68 Street, as opposed to 60 Street.

As the project scope expanded beyond the mandate of the Arterial Rehabilitation Program, the 112 Avenue Project required a multi-departmental approach. The overall funding is proposed to be addressed through a combination of multiple programs; specifically, the funding sources for the project are as follows:

- Transportation Services, Program 13-66-1023 - Reconstruction of 112 Avenue
- Great Neighbourhoods, Program 12-21-5800 - Public Realm Improvements
- Forestry – Forestry Tree Reserve Program

The Great Neighbourhoods Capital Program is currently funding two components of the 112 Avenue Project. First are the public realm improvements within the commercial district between 64 Street and 66 Street along 112 Avenue. These improvements include aesthetically enhanced sidewalks and streetscape furniture and enhanced bus stops throughout the project. The second component is the installation of soil cells to help improve and sustain tree growth along the narrow boulevard. The Forestry Tree Reserve will be supplying funding for the tree plant material only.

112 Avenue Reconstruction Project Budget Update - Project Scope, Timing and Funding Strategy

Due to the change in the scope and cost of the project, the 112 Avenue Project was split into two phases to better align with the available funding within the 2012 to 2014 Capital Budget as follows:

- Phase 1 – 112 Avenue/50 Street to 60 Street - Funded through current 2012 - 2014 Capital Budget
- Phase 2 – 112 Avenue/60 Street to 68 Street - Funded through current 2012 - 2014 Capital Budget and the future 2015 - 2018 Capital Budget

Phase 1 of the 112 Avenue Project is underway (construction begins Spring 2014) and the tender results are within the initial budget amount of \$5 million funded through a combination of existing funding from the Great Neighbourhoods program and new funding to be requested as part of the 2015 - 2018 CPP process. Phase 2 work will be undertaken in 2015.

Policy

The Way We Live
Complete Streets

Corporate Outcomes

Transform Edmonton's urban form -Edmonton has sustainable infrastructure that fosters and supports civic and community needs.

Improve Edmonton's livability - Safe and clean city

Preserve and sustain Edmonton's environment - Partnerships with citizens, communities and organizations are leveraged to improve Edmonton's environmental health.

Ensure Edmonton's financial sustainability - The City has well managed and sustainable assets and services.

Budget/Financial Implications

Funding for the project can be achieved by combining funding from multiple capital programs as follows:

2014 Work (2012 - 2014 CPP) - Approved Funding
- \$5 million - Project Profile 13-66-1023 - Reconstruction of 112 Avenue.

2015 Work (2012 - 2014 CPP) - Approved Funding
- \$1.6 million - Great Neighbourhoods, Capital Program 12-21-5800
- \$200,000 - Forestry – Forestry Tree Reserve Program

112 Avenue Reconstruction Project Budget Update - Project Scope, Timing and Funding Strategy

2015 Work (2015 - 2018 CPP) - Future Funding Subject to Council Approval
- \$5.5 million - Project Profile 13-66-1023 - Reconstruction of 112 Avenue (future amendment)

Others Reviewing this Report

- L. Rosen, Chief Financial Officer and Treasurer
- L. Cochrane, General Manager, Community Services