

# Mechanized River Valley Access

## Non-Contract A Request for Proposal

### Recommendation:

That Administration proceed with business case development for Vendor A and Vendor B, as outlined in the April 15, 2013, Sustainable Development report 2013SHE020.

### Report Summary

**This report provides an update for the mechanized river valley access system and requests Executive Committee approval for next steps.**

### Previous Council/Committee Action

At the April 15, 2013, Executive Committee meeting, the April 15, 2013, Sustainable Development report 2013SHE020 was postponed to the April 29, 2013, Executive Committee meeting.

### Background/History

At the June 27, 2012, Executive Committee meeting, Administration provided an information report (Sustainable Development report, 2012SHE022) detailing a phased process to select a vendor to design, build, operate and maintain a mechanized access system from downtown to the Touch the Water Promenade and the repurposed EPCOR power plant.

### Report

An innovative, phased Request for Proposals process (see Attachment 1

Process for a Request for Proposals) was developed to ensure that proposals for the mechanized river valley access system (104 Street from Jasper Avenue to the EPCOR power plant) aligned with the expectations of the community, City Council and Administration; it was also structured to mitigate risks to the project.

Administration recommends moving two proponents (Attachment 2 Proposals - Illustration Panels) into the business case development phase to more fully develop their proposals.

- Vendor A explored several options based on several different versions of gondolas, as well as a funicular track based option. Vendor A did not narrow down the options any further as they believe that the work required in the business case review is necessary to refine the choices. Capital construction costs were within the funding available and projected operating costs were estimated to be between \$1.5 million and \$3 million per year.
- Vendor B proposed a gondola-based solution within the alignment and the proposed budget. Vendor B did not provide a definitive estimate of the operating costs, as they believe this requires further study.

### Alternative Recommendation

In the event that Executive Committee requires public consultation prior to development of the business case, the following recommendation should be passed:

**That Administration be directed to engage the public and return to Executive Committee with the**

### **results of public engagement prior to proceeding with awarding of the business case development.**

#### **Project Risks**

Specific risks identified with proceeding to the next phases include:

- Capital and operating costs escalation;
- Additional land or “air” rights will need to be acquired from a private property at 104 Street and 99 Avenue;
- Potential privacy concerns from residents in adjacent buildings;
- Public perception at large and along the route - communities adjacent to the project need to be consulted;
- Additional site-specific engineering analysis will be required to more fully determine the feasibility of the project within the allocated budget; and
- All costs identified with the proposals are preliminary. Revenue projections for the system and any subsidy requirements have not been determined.

#### **Phased Proposal Process**

Attachment 1 shows the process being followed by Administration. The first step, concept proposal stage, requested creative solutions to be developed for the mechanized access system. The submissions received were developed to a high level conceptual stage, but provided sufficient information to allow evaluation leading to a recommendation to proceed to the next phase of business case development.

#### **Industry Proposals – Concept Phase**

Three responses to the Non-Contract A Request for Proposal were received

from multidisciplinary teams of consultants and systems providers. The proponents examined a variety of technologies including gondolas, funiculars and an innovative magnetic levitation train. Each of them then proposed how they would proceed given the existing budgets, opportunities and constraints of the project. Two of the teams proposed specific technologies, which they developed into high-level concept plans and proposals. The third proponent reviewed several options, which they believe work for the site and are within budget, and they proposed to explore these further in the next phase.

These proposals were reviewed by a committee composed of Administration and two external consultants (engineering and financial). The evaluation included criteria such as: proposal strength (including team capabilities and experience), community integration, aesthetics, system technical requirements, understanding of the project and preliminary capital and operating costs.

#### **Next Steps**

The next phase of the work is critical to further define their projects and develop the concepts with public input. Capital and operational components (operating costs, ridership, revenues and any applicable operating subsidies) will require further study and clarification at the business case development stage.

#### **Policy**

The Capital City Downtown Plan Pedestrian Circulation Goal (Policy 15.5) includes consideration of options, such as “re-introducing a funicular railway.”

### Corporate Outcomes

*The Way Ahead*, City of Edmonton's Strategic Plan – 2009-2018:

- Transform Edmonton's Urban Form
- Improve Edmonton's Livability

### Public Consultation

Public consultation will occur with development of the business case. Executive Committee may direct Administration to conduct public engagement if it adopts the alternate recommendation.

### Budget/Financial Implications

Capital funding for this project was approved in the 2012 Capital Budget profile, River Valley Access Connective Infrastructure Project (12-17-6100). \$34.4 million was allocated for West Rosedale projects, including a Mechanized River Valley Access and the Touch the Water Promenade.

Preliminary capital cost estimates suggest that certain options can be developed within the allocated budget. More detailed capital/operating costs and revenue projections will need to be identified through the work undertaken during the development of the concept and business case. Cost and revenue projections will also factor in costs for life cycle expenditures required for the long term sustainability of the new facility. Associated funding strategies and any subsidy requirements will be identified at this stage and submitted to City Council for consideration.

### Legal Implications

Subject to Executive Committee direction, Administration will request that vendors A and B proceed to the next phase, proof of concept/business case development. Upon successful

completion of the business case, the proposal will return to Executive Committee with an Administrative recommendation for consideration in the first quarter of 2014. If Executive Committee approves the business case, Administration will enter into contract negotiations with the successful vendor for the design, build and operation phases of the project. In the event that either Vendor A or Vendor B, or both, are not successful, they will each receive a \$150,000 payment for completion of their business case.

### Justification of Recommendation:

The vendors have provided sufficiently detailed information to warrant moving them into the next phase.

### Attachments

1. Process for a Request for Proposals
2. Proposals – Illustration Panels

### Others Reviewing this Report

- L. Rosen, Chief Financial Officer and Treasurer
- R. Boutilier, General Manager, Transportation Services
- L. Cochrane, General Manager, Community Services
- D. H. Edey, General Manager, Corporate Services

## Process for a Request for Proposals

Direction to investigate possible systems for Mechanized River Valley Access  
(COMPLETE)

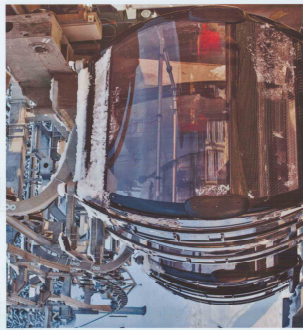
Request for an Expression of Interest  
(COMPLETE)

Request for Proposals - Concept  
(Approval Stage)

<b>Phased approach to implement a Request for Proposals</b>	
<b>Process Steps</b>	<b>Responsibility</b>
<b>Concept Proposal Stage</b>	
<ul style="list-style-type: none"> <li>Release Request for Proposal to industry</li> </ul>	
<ul style="list-style-type: none"> <li>Evaluate Concept Proposals</li> </ul>	Administration
<ul style="list-style-type: none"> <li>Recommend a vendor to Executive Committee.</li> </ul>	Approval by Executive Committee of the Concept Proposal prior to moving to next Phase
<b>Business Case</b>	
<ul style="list-style-type: none"> <li>Deliverable – Proof of Concept/ Business Case completed by vendor</li> <li>To include: planning, engineering, design, operating model, site alignment, community consultations, timing/scheduling, capital and operating costs, maintenance model, etc.</li> </ul>	Honorarium of \$150,000 to vendor  Vendor coordinates all work  Approval by Executive Committee of the Proof of Concept/Business Case prior to moving to subsequent Phase
<b>Detailed Design Phase</b>	
<ul style="list-style-type: none"> <li>Completion of all plans, studies, drawings, approvals, certifications, contracts, etc.</li> </ul>	Vendor coordinates all work  Approval by Administration of all detailed work prior to moving to next Phase
<b>Construction Phase</b>	
<ul style="list-style-type: none"> <li>Construction</li> </ul>	Vendor coordinates all work  Phase disbursements of funding, approvals, inspections, certifications, etc.
<b>Operate and Maintain Phase</b>	
<ul style="list-style-type: none"> <li>Operations and maintenance</li> </ul>	Vendor coordinates all work  Phase disbursements of funding, approvals, inspections, certifications, etc.

Proposals – Illustration Panels  
Vendor A

MECHANIZED RIVER VALLEY ACCESS SYSTEM



PULSE GONDOLA

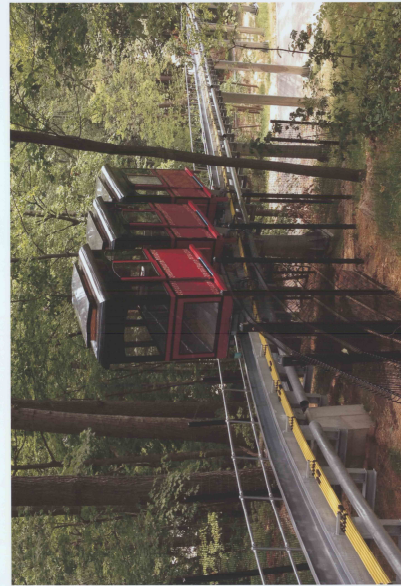
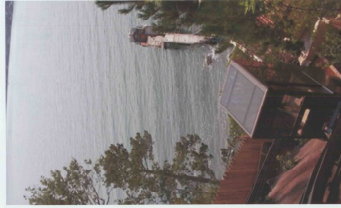
JIGBACK TRAM



MONOCABLE GONDOLA

AERIAL CABLEWAY OPTIONS

MECHANIZED RIVER VALLEY ACCESS SYSTEM

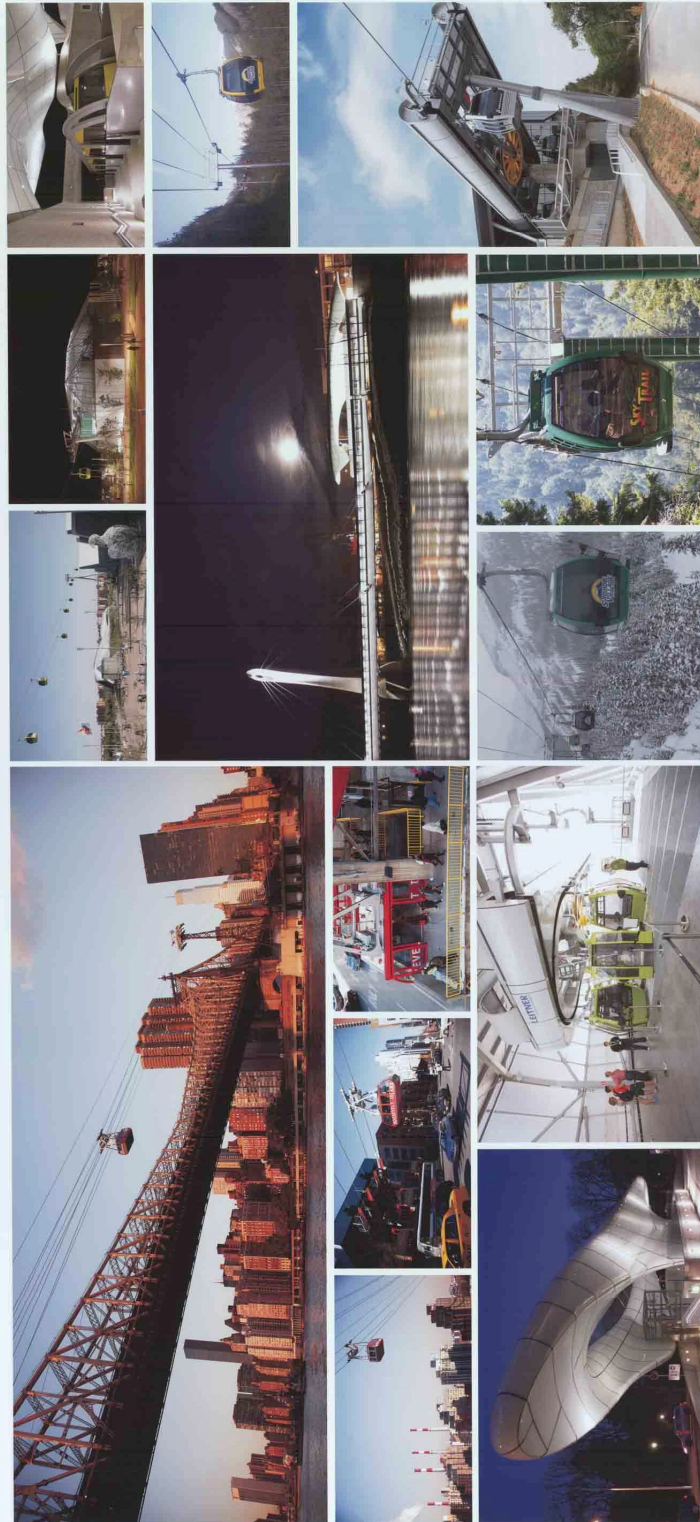


FUNICULARS & INCLINE ELEVATORS

GROUND - PROFILE CABLEWAY OPTIONS

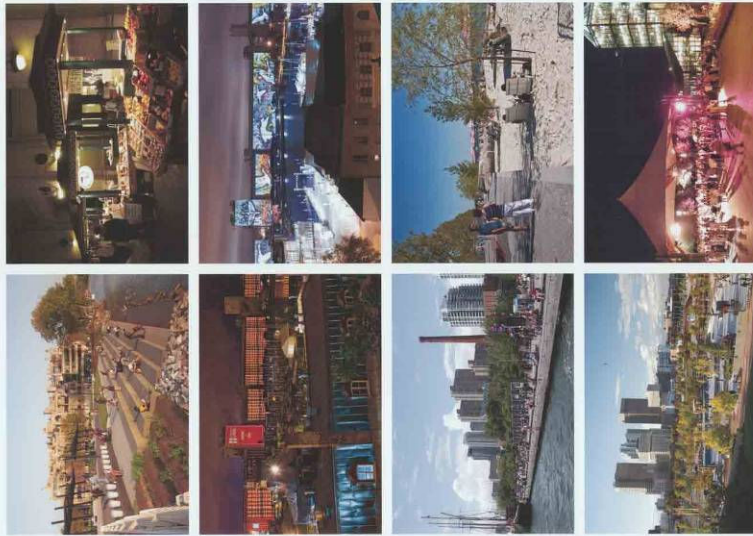
Vendor B

Proven Experience



\* All images are from the public domain unless noted otherwise

# Placemaking



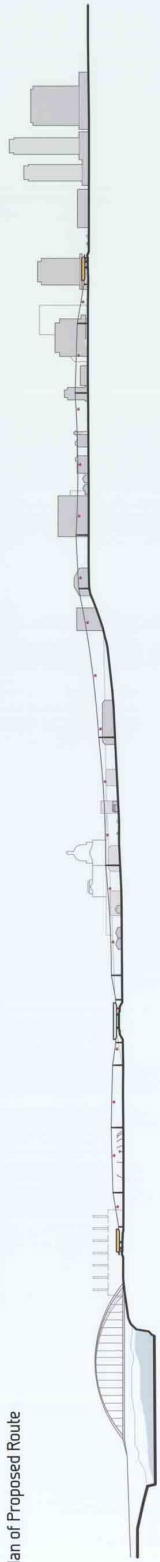
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# Possibilities



Plan of Proposed Route



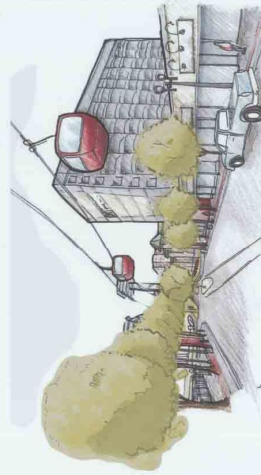
Cross Section through Proposed Route



Riverside View



View of Rosedale



View South along 104th Street

# Edmonton River Valley Access System

