

Valley Line Stage 1
Mill Woods Town Centre to Centre West

Southeast to West LRT
Funding for Utility Relocations &
P3 Procurement Development

City Council
February 20, 2013

Project Update

- LRT Governance Board is established and is meeting regularly.
- Preliminary engineering for Stage 1 (Mill Woods Town Centre to Centre West) is nearing completion.
- Preliminary engineering for the remainder (Centre West to Lewis Farms) is on schedule for completion in the fall of this year.
- Discussions are ongoing with all utility agencies, and plans are in place to commence relocations (Stage 1) subject to funding.

Project Update

- Public involvement is ongoing and will be completed this year.
- Administration is advancing the P3 procurement pursuant to Council's direction of May and August 2012.
 - comparable projects have been studied
 - P3 framework & advisory role RFPs have been drafted
 - discussions with PPP Canada have been ongoing

Recommendation

That \$60 M be approved within Project Profile 11-66-1673 (Southeast to West LRT) for advanced utility relocations, building demolition, owner's engineer and P3 advisory services, with funding provided through LRT Reserve (\$10 M) and a borrowing bylaw (\$50 M).

If approved, Administration will bring forward an amendment to the existing borrowing bylaw for this project.

Procurement Timelines

- In a P3 procurement, the owner's obligations are heaviest at the front-end during the development of the RFQ, RFP and concession agreement, which takes up to one year to complete.
- Procurement development typically occurs in parallel with negotiating full funding agreements.
- Approval of funding at this time, allows the project to stay on schedule for 2019 revenue service.



Valley Line Stage 1 - *Project Critical Path*

Activity	Schedule
Approval of Funding (\$60M) for Advanced Utility Relocations, Owner's Engineer & P3 Advisors	February 5, 2013 - LRT Governance Board * February 20, 2013 - City Council
Borrowing Bylaw (\$50M) Approval	March / April 2013
Award Contracts for P3 Advisors	April 2013
Development of P3 Process and Documents	March 2013 – January 2014
Advanced Utility Relocations and Building Demolition	Spring 2013 – Spring 2015
Secure Full Project Funding (Balance of \$1.8B)	Summer 2013
Procurement Process Begins	October 2013
Financial Close	April 2015 *
P3 Construction Begins	Spring 2015
Secure Environmental Approvals & Begin In-Stream (River Bridge) Construction	August 2015 *
Revenue Service	2019

*** Represents Critical Path Milestones**

Tentative Procurement Schedule (Scenario 1)

Activity	Schedule
Issue RFP for P3 Advisors	Late – February 2013
3 rd Reading of Borrowing Bylaw Amendment	April 10, 2013
Award of Contracts for P3 Advisors & Extension of Contract for Owner's Engineer	Mid – April 2013
Develop Procurement Process & Documents	March 2013 to January 2014
<i>Full P3 Funding Approval</i>	<i>Summer 2013</i>
Release P3 RFQ	October 2013
RFQ Closes	January 2014
Short Listing of P3 Proponents and Issuance of RFP	March 2014
RFP Closes	January 2015
Evaluation of Proposals & Selection of Preferred Proponent	March 2015
Financial Close	April 2015

This schedule represents the preferred (i.e. lower risk) procurement approach.

Tentative Procurement Schedule (Scenario 2)

Activity	Schedule
Issue RFP for P3 Advisors	Late – February 2013
3 rd Reading of Borrowing Bylaw Amendment	April 10, 2013
Award of Contracts for P3 Advisors & Extension of Contract for Owner's Engineer	Mid – April 2013
Develop Procurement Process & Documents	March 2013 to January 2014
<i>Full P3 Funding Approval</i>	<i>January 2014</i>
Release P3 RFQ	January 2014
RFQ Closes	March 2014
Short Listing of P3 Proponents and Issuance of RFP	April 2014
RFP Closes	February 2015
Evaluation of Proposals & Selection of Preferred Proponent	March 2015
Financial Close	April 2015

This schedule represents a higher risk procurement approach leading to potential schedule delay and additional inflationary costs.

Questions