

Summary of Spring 2020 SCBA Recommendations

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Summary of Recommended Spring 2020 SCBA Adjustments

The following is a high level summary of the total impact to the 2019-2022 approved capital budget from the Detailed Spring 2020 SCBA Adjustment Report in Attachment 3.

No.	Budget Adjustment Type	Impact to 2019-2022 Capital Budget (\$000's)
3.1	New Profiles Recommended for Funding	\$3,300
3.2	Scope Changes	\$30,064
3.3	Recosting	<\$41,792>
3.4	Historical Adjustments	\$10,318
3.5	Funding Source Adjustments (Council)	\$ -
3.6	Transfers in Excess of \$2 Million Between Profiles	\$ -
3.7	Transfers from Capital to Operating	<\$5,509>
3.8	Transfers from Operating to Capital	\$2,618
3.9	Project Development and Delivery Model Adjustments	\$ -
	Totals	<\$1,001>

Breakdown of Spring 2020 SCBA Adjustments

The following is a high level summary for each of the categories of the Spring 2020 SCBA shown in the Detailed Spring 2020 SCBA Adjustment Report in Attachment 3.

3.1 New Profiles Recommended for Funding

New profiles recommended for funding can be categorized as profiles requesting new funding, and new standalone profiles requesting funding from existing composite profiles. The latter category would include profiles that are at Checkpoint 3 of the PDDM process and are seeking a transfer of delivery dollars from an existing approved composite profile.

	Impact to 2019-2022 Capital Budget (\$000's)
Total Value of New Capital Profiles	\$229,408
Less: New Capital Profiles funded with transfers from existing approved budgets	<\$226,108>
Net Impact to the Approved 2019-2022 Capital Budget	\$3,300

New Profiles Requesting New Funding

Administration is recommending Council approve \$3.3 million in new funding for two new capital profiles. New profiles recommended for new funding are as follows:

3.1-1. **CM-66-2580 - Speed Limit Reduction (\$2.0M)**

This profile funds the implementation plan for a reduced 40 km/h default speed limit in Edmonton as per direction received from Council at the March 11, 2020 City Council meeting. The funding source to complete this work is the Traffic Safety Automated Enforcement Reserve (TSAER). It will be held in abeyance contingent on third reading of the forthcoming bylaws.

3.1-2. **CM-66-2595 - 2020 Street Safety Priorities (\$1.3M)**

Continuous investment in traffic safety promotes positive road user behaviour and encourages safer use of the road infrastructure. Projects funded through this profile have been previously funded by TSAER and were prioritized through past capital profiles. This funding allows Administration to address safety concerns in 2020 as the new Safe Mobility Strategy 2021-2025 is being developed. The \$1.3 million budget requested for 2020 (to be funded by TSAER) will fund signal improvements and installations (\$1 million), and emerging traffic safety engineering measures (\$300,000).

The TSAER reserve has adequate funding available to fund approved capital profiles as well as these two new profiles. In Q4 2020, a new Safe Mobility Strategy will be brought forward to Council along with the revised 2021 and 2022 capital budgets that will take into account changes in expected funding given the Government of Alberta's increased share of fine revenue.

Please refer to the specific capital profiles included in Attachment 6 for additional information for each capital project.

New standalone Profiles Requesting Funding from Existing Composites

The following capital profiles propose funding derived from the transfer of existing funding from approved composite capital profiles. They describe projects originally within the scope of the approved composite profiles that have completed a sufficient level of planning and design (reached Checkpoint 3) and are being created as a standalone profile in compliance with capital

budget practices (\$2 million or greater for growth and \$5 million or greater for renewal projects).

Please refer to the specific capital profiles included in Attachment 6 for additional information for each capital project. The approval of these projects would have no impact on the overall approved 2019-2022 Capital Budget.

3.1-3. 20-40-9017 - NRP Recon - Eastwood/Elmwood Park/Yellowhead Corridor East Ind (\$51.1 million)

The Eastwood, Elmwood Park, and Yellowhead Corridor East Industrial neighbourhood reconstruction project has reached Checkpoint 3 of the PDDM and requires approval for delivery within a new standalone profile as the project is over the \$5M threshold for renewal.

3.1-4. 20-40-9019 - NRP/NARP Recon - Lorelei Neighbourhood and Alleys (\$38.3 million)

The Lorelei neighbourhood and alley reconstruction project has reached Checkpoint 3 of the PDDM and requires approval for delivery within a new standalone profile as the project is over the \$5M threshold for renewal.

3.1-5. 20-20-9202 - Yellowhead Trail East Widening (61 St to North Saskatchewan River (\$36.3 million)

The Yellowhead Trail East Widening (61 Street to the North Saskatchewan River) project has reached Checkpoint 3 of the PDDM and requires the creation of a standalone profile due to the value of the entire project being over the \$2 million dollar threshold for growth.

3.1-6. 20-40-9018 - NRP Recon - Grandview Heights (\$21.1 million)

The Grandview Heights neighbourhood reconstruction project has reached Checkpoint 3 of the PDDM and requires approval for delivery within a new standalone profile as the project is over the \$5M threshold for renewal.

3.1-7. 20-12-9200 - Civic Precinct Surface Renewal Phase 2 (\$12.7 million)

The Civic Precinct Surface Renewal Phase 2 project has reached Checkpoint 3 of the PDDM and requires the creation of its own standalone profile due to the value of the entire project being over the \$5 million dollar threshold for renewal. Funding will be transferred into this profile from the Facility: Service Delivery - Renewal composite CM-12-0000.

3.1-8. 20-12-0220 - Confederation Leisure Centre and Arena Renewal (\$11.7 million)

The Confederation Leisure Centre and Arena Renewal project has reached Checkpoint 3 of the PDDM and requires the creation of its own standalone profile due to the value of the entire project being over the \$5 million dollar threshold for renewal. Funding will be transferred into this profile from the Facility: Service Delivery - Renewal composite CM-12-0000.

3.1-9. 20-12-0230 - Ortona Armoury Arts Building Renewal (\$11.3 million)

The Ortona Armoury Arts Building Renewal project requires the creation of its own standalone profile due to the value of the entire project being over the \$5 million dollar threshold for renewal. This project has reached Checkpoint 3 of the PDDM. Funding will be transferred into this profile from the Facility: Service Delivery - Renewal composite CM-12-0000.

3.1-10. 20-40-9021 - NARP Recon - King Edward Park Alleys (\$9.9 million)

The King Edward Park alley renewal project has reached Checkpoint 3 of the PDDM and requires approval for delivery within a new standalone profile as the project is over the \$5M threshold for renewal.

3.1-11. 20-24-0200 - Duggan Bridge Replacement (\$9.0 million)

The Duggan Bridge Replacement project has reached Checkpoint 3 of the PDDM and requires the creation of its own standalone profile as the project is over the \$5M threshold for renewal.

3.1-12. 20-20-9201 - Yellowhead Trail - 123 Avenue: 156 Street to 142 Street (\$7.6 million)

The 123 Avenue (156 Street to 142 Street) Roadway Improvements project has reached Checkpoint 3 of the PDDM and requires the creation of a standalone profile due to the value of the entire project being over the \$2 million dollar threshold for growth.

3.1-13. 20-12-0200 - ACT Aquatic and Recreation Centre Renewal (\$7.4 million)

The ACT Aquatic and Recreation Centre Renewal project has reached Checkpoint 3 of the PDDM and requires the creation of its own standalone profile due to the value of the entire project being over the \$5 million dollar threshold for renewal. Funding will be transferred into this profile from the Facility: Service Delivery - Renewal composite CM-12-0000.

3.1-14. 20-40-9022 - NRP Paving - Rhatigan Ridge (\$7.1 million)

The Rhatigan Ridge neighbourhood overlay project has reached Checkpoint 3 of the PDDM and requires approval for delivery within a new standalone profile as the project is over the \$5M threshold for renewal.

3.1-15. 20-30-9200 - McConachie School GLS (\$2.4 million)

The McConachie School GLS growth project has a budget over \$2M and is therefore being recommended to be transferred to a standalone capital profile.

3.2 Scope Changes

Scope changes adjustments are required when profiles have increased or decreased projected costs to accommodate a change in scope. Recommended scope changes can further categorized as follows:

- Scope change increases requesting new funding
- Scope change increases requesting funding be transferred from an existing approved budget
- Scope change decreases

Scope changes recommended in the Spring 2020 SCBA will result in a net \$30.1 million increase to the 2019-2022 Approved Capital Budget.

	Impact to 2019-2022 Capital Budget (\$000's)
Total Value of Scope Change Increases	\$67,470
Less: Scope Change Increases funded with transfers from existing approved budgets	<\$17,126>
Total Value of Scope Change Decreases	<\$20,280>
Net Impact to Approved 2019-2022 Capital Budget	\$30,064

A detailed breakdown of all recommended Scope Change adjustments can be found in the Detailed Spring 2020 SCBA Adjustment Report in Attachment 3.

Scope Change Increases Requesting New Funding

Scope changes recommended for new funding are as follows:

3.2-1. 19-18-1904 - Enterprise Systems Transformation Program (Phase 1) (\$33.5 million)

Report CR_7504, Enterprise Systems Transformation Program - Update at the May 25, 2020 City Council meeting, provides the project's status and the justification for the remaining \$30 million funding requirement requested in this budget adjustment. Contract negotiations are completed for the systems integration partner. Full funding for Phase I of the project is requested to support finalizing agreements with the system integration partner and other resource requirements for project implementation.

An Enterprise System Transformation Program (ESTP) capital profile was created as a part of the Fall 2019 Supplemental Capital Budget Adjustment, as a result, the approved funding amount of \$3.5M under the Technology Implementation profile will be moved into the ESTP profile 19-18-1904.

3.2-2. 19-16-5055 - Heritage Valley Land (\$13.5 million)

Additional funding is required for the Heritage Valley Land Development profile to complete planning, design, fees and assessments, and construction. This project will provide servicing to the Heritage Valley district park and the new Edmonton Catholic School District's high school located within the district park. The cost for the servicing will be funded through Land Enterprise Retained Earnings. This work will also create approximately 22 acres of fully serviced mixed use and medium density residential land that will be sold at market value.

3.2-3. CM-70-0001 - Fire Rescue Equipment Replacement (\$1.3 million)

This request is for the replacement of heavy rescue hydraulic emergency extrication equipment (14 sets; \$964K) and Paratech emergency shoring equipment (14 sets; \$350K). Replacement of this equipment is required to support emergency operations. The current equipment has exceeded its life cycle and anticipated maintenance and repair costs will increase with the extension of life cycle.

The contract to service and replace existing heavy extrication equipment has expired leaving Fire Rescue Services with no ability to replace equipment that is past end of life. All sets of this equipment within Fire Rescue Services need to be the same therefore complete replacement is needed versus replacement over time.

The current funds in the Equipment Replacement Composite are dedicated to the replacement of other equipment such as hoses, on board equipment, radios, etc. in future years (2020 - 2022).

3.2-4. CM-18-1515 - Technology Infrastructure - Renewal (\$2.2 million)

The City currently has hundreds of network switches located throughout the City. There are 149 that are older than 12 years. Best practice for switch replacement is between four and five years. The impact of not funding is having unanticipated equipment failures resulting in outages in the delivery of services in critical areas. The probability of occurrence is low. Outages last three to four hours on average.

This project was in the Open City and Technology items that were previously identified as an emerging item in the 2019 Fall SCBA.

3.2-5. CM-20-0052 - Library Furniture and Equipment (\$1.0 million)

Additional furniture and equipment expenditures related to Milner Library Fit Up, which is separate from the Milner Construction Project, were incurred in 2019 through Pay As You Go Library and Other Provincial Grants. This adjustment will increase the total project budget to account for the expenditures that were funded by Library Reserves.

3.2-6. CM-21-2010 - Commonwealth Stadium Equipment 2019-2022 (\$1.0 million)

The annual planned replacement of Commonwealth Stadium equipment is part of the strategy in the Commonwealth Stadium Master Plan, 2017-2030. Only limited

replacement can be done annually due to the funding available in the Commonwealth Stadium Reserve. Lifecycle equipment replacement is required to maintain and improve service levels in all hosting event areas including suites. Due to the nature of high volume events it is essential to make improvements to facility network and IT connections to support connectivity and speed of transactions during point of sale interactions with customers. This profile allows for the planned replacement of equipment that supports revenue generation within the Stadium.

3.2-7. CM-18-1515 - Technology Infrastructure - Renewal (\$0.6 million)

This project adds more validation for users before they access certain applications. This project was in the Open City and Technology items that were previously identified as an emerging item in the 2019 Fall SCBA.

3.2-8. 19-18-1901 - Information Security and Disaster Recovery Enhancements (\$0.5 million)

Protecting Internet Facing Applications from active threats is a high priority as per the Government of Canada's Top 10 Security Actions to Protect Internet Connected Networks (which is the basis of the City of Edmonton's Security Strategy & Roadmap).

This funding is to introduce the capability into the City's existing technology (Citrix Netscaler). This will provide perimeter protection for the City's web applications, such as edmonton.ca, POSSE, TACS, CAD, CCURE, etc.

This project was in the Open City and Technology items that were previously identified as an emerging item in the 2019 Fall SCBA.

3.2-9. CM-18-1514 - Technology Implementation - Growth (\$0.3 million)

The Dispatch System (CAD) Full Upgrade requires additional budget to complete the project. The additional budget is related to testing and implementation for a required change in scope that was due to issues with the GPS functionality.

This project was in the Open City and Technology items that were previously identified as an emerging item in the 2019 Fall SCBA.

Scope Change Increases Requesting Funding From Existing Budget

Scope changes recommended to be funded with a transfer from an existing approved budget (and therefore have no impact to the City's overall capital budget) are as follows:

3.2-10. 15-74-4104 - Warehouse Campus Neighbourhood Central Park Land Acquisition (\$8.0 million)

The transfer from CM-74-4100 "Downtown CRL" to 15-74-4104 "Warehouse Campus Neighbourhood Central Park Land Acquisition", is to acquire land to expand the size of the Warehouse Campus Neighbourhood Central Park, to improve the design and functionality of the park, and enhance opportunities for complementary development in addition to addressing the 2019 one-time over expenditure and the expected 2020

litigation expenses. Funding is available to be transferred from CM-74-4100 as streetscaping for Jasper Avenue New Vision will be deferred until the downtown portion of the Valley Line LRT is substantially complete.

3.2-11. CM-66-3400 - LRV Fleet & Equipment Renewal (\$1.9 million)

\$1.9M transfer to CM-66-3400 for scope change to fund an expected deficit in LRV major rehabilitation in this capital cycle. Funding is available in CM-66-3300 (project: NE Crossing Equipment Life Cycle Replacement) as some of this work was completed with the Public Transit Infrastructure Fund.

3.2-12. CM-61-3235 - Transit Facility and ROW Renewal (\$1.9 million)

\$1.9M transfer from CM-66-3000 for scope change to add a capital project for bus stop signs required for the Bus Network Redesign and implementation of Micro Transit. Funding will be made available in CM-66-3000 - Transit Communications Renewal by reducing funding for the Passenger Information Display System (PIDS) Upgrade. The PIDS Upgrade will be deferred to a future capital cycle.

3.2-13. 15-75-0109 - Westwood Site MES/Central Stores Building Rehabilitation (\$1.4 million)

To transfer funds from three existing Profiles to top up the current project due to additional scope relating to base building work for sprinkler upgrade to meet code in the facility, under slab remediation work and lead paint abatement work. The total increase is \$1.4M to be added to profile 15-75-0109 Westwood Site Mobile Equipment Services. This \$1.4M is available as a combination of \$400k from 15-75-0108 Mitchell Transit Building Rehabilitation, \$600k from 15-75-0107 Ferrier Transit Building Rehabilitation and \$400K from 15-75-0106 Davies Site Richard Garage Building Rehabilitation.

3.2-14. CM-66-2585 - Crosswalk Safety (\$0.3 million)

The 2019 budget within CM-66-2545 was not fully spent due to lower contractor cost than budgeted for new Intersection Safety Device sites. Carry forward is not required as all planned work was completed and the Government of Alberta has placed a moratorium on new automated enforcement locations.

The unspent budget from this profile is being recommended to be transferred into CM-66-2585 (Crosswalk Safety).

3.2-15. 19-18-1903 - Recreation and Attractions Management (RAMS) Program (\$0.1 million)

The program team requested a schedule extension of five months along with a budget increase to accommodate outstanding development originally within scope, account for delays in schedule as a result of key business needs and bring the RAMS Golf module live for the start of the season (rather than in December during the off-season).

These revisions to the plan and schedule resulted in the originally scheduled closure date of December 31, 2019 moving to May 31, 2020. To complete and close off the program, additional funding of \$545K is requested: \$101K from "CM-18-1514 - Technology Implementation - Growth"(as requested through this budget adjustment) and \$444K from CRF operating budget.

3.2-16. 15-21-7777 - The Orange Hub (\$0.03 million)

Addition of scope to current Phase 1 Renewal Project at The Orange Hub. Installation of smoke detectors as an alternative solution to the upgrade of fire-rated separations for rooms. This is a safety requirement in order to make the space leasable. Funding is recommended through a transfer of \$25K (MSI) from CM-11-0000 Safety and Security Renewal Composite to 15-21-7777 The Orange Hub.

3.2-17. CM-50-5050 - CRL Projects - Planning and Design (\$0.0 million)

Scope change to include the addition of the McDougall Hill Pedestrian/Cyclist Bridge to the list of projects in the profile scope CM-50-5050. The recommendation is to reallocate funding within the profile resulting in no net increase. The project includes advancing planning and design for the pedestrian bridge from Checkpoint 1 to 3. The estimated cost (at the high end) is \$ 1.125M. The addition of this project to the profile requires the deferral of Jasper Avenue New Vision Phase 3 project at this time.

Scope Change Decreases

Scope changes recommended that result in an overall decrease to the approved 2019-2022 capital budget are as follows:

3.2-18. CM-25-0000 - Transportation: Neighbourhoods - Renewal (<\$20.3 million>)

Funding is being released from the Alley Renewal Program in accordance with Council Direction given during the Fall 2019 Supplemental Operating Budget Adjustment (SOBA). During the Fall 2019 SOBA, Operating Budget Amendment 6 was approved as follows: "That the Corporate Expenditures and Revenues branch budget be decreased by \$6,760,000 in 2020, on an ongoing basis, with funds released to the tax levy, to unfund the Alley Renewal Program as outlined in Attachment 4 of the December 11, 2019, Financial and Corporate Services report CR_7747 - item 7, and that the program be reconsidered as part of the 2023 Operating Budget deliberations." The overall reduction to the Alley Renewal Program, and the resulting reduction to the tax-levy is \$20.28M over three years.

3.3 Recosting

Recosting adjustments are required when an approved capital project is projected to be over or under budget. This can occur when tenders on capital projects are well over/under the budgeted projection. Recommended recosting adjustments can be categorized as:

- Recosting increases requesting new funding
- Recosting increases requesting funding to be transferred from an existing approved budget

- Recosting decreases - Funding released
- Recosting decreases - Funding transferred to existing composite profile

Recosting changes recommended in the Spring 2020 SCBA will result in a net \$41.8 million decrease to the 2019-2022 Approved Capital Budget.

	Impact to 2019-2022 Capital Budget (\$000's)
Total Value of Recosting Increases	\$6,468
Less: Recosting Increases funded with transfers from existing approved budgets	<\$4,315>
Total Value of Recosting Budget Releases	<\$49,856>
Add: Recosting Releases added back to composite profiles	\$5,911
Net Impact to Approved 2019-2022 Capital Budget	<\$41,792>

A detailed breakdown of all recommended Recosting adjustments can be found in the Detailed Spring 2020 SCBA Adjustment Report in Attachment 3.

Recosting Increases Requesting New Funding

Recosting adjustments recommended for new funding are as follows:

3.3-1. 19-22-9002 - Imagine Jasper 109-114 St - Phase 1 (\$1.5 million)

Increase in Developer Financing to cover higher than expected costs for flood mitigation work delivered under this profile. Funding to come from EPCOR Drainage.

3.3-2. CM-20-0051 - Library Materials (\$0.3 million)

A spring SCBA is required to adjust a fund over-expenditure from 2019 operating savings. Savings on Library Subscriptions (operating) were allocated towards additional spending in Library Materials through Library Pay as You Go.

3.3-3. 15-60-1444 - Public Safety Radio Network (\$0.1 million)

The final amount for Emergency Phone Recorder costs were incurred in 2019. This adjustment is required to align the budget with actual expenditures.

3.3-4. 06-66-1482 - 23 Avenue/Gateway Interchange (\$0.1 million)

Funding is required to address higher than anticipated warranty and trailing costs after project completion. These profiles are from the previous budget cycle and did not have funding allocated within the 2019-2022 budget.

3.3-5. Pay-As-You-Go School Sites Over-Expenditures (\$0.07 million)

Funding is required to address higher than anticipated warranty and trailing costs after project completion for the school sites listed below. These profiles are from the previous budget cycle and did not have funding allocated within the 2019-2022 budget.

- 15-17-1076 - Allard School/Park Site Development
- 15-17-1084 - Laurel School/Park Site Development

3.3-6. Pay-As-You-Go Over-Expenditures (\$0.04 million)

Funding is required to address higher than anticipated warranty and trailing costs after project completion for the projects listed below. These profiles are from the previous budget cycle and did not have funding allocated within the 2019-2022 budget.

- 09-66-1440 - Arterial Network Improvements
- 12-66-1440 - Arterial Network Improvements
- 12-66-1443 - 34 Ave: 34 - 48 St
- 12-66-1445 - Guardian Rd/Lewis Blvd:Grantham-Potter G
- 13-66-1447 - 23 Ave: 34 St - Millwoods Rd East
- 13-66-1448 - 34 St: 23-34 Ave
- 13-66-1449 - 38 Ave: 21 - 34 St

3.3-7. CM-21-5800 - Great Neighbourhoods Initiative (\$0.02 million)

Funding is required to address higher than anticipated warranty and trailing costs after project completion. These profiles are from the previous budget cycle and did not have funding allocated within the 2019-2022 budget.

Recosting Increases Requesting Funding from Existing Approved Budget

Recosting adjustments requesting a transfer from an existing approved budget (and therefore have no impact to the City's overall capital budget) are as follows:

3.3-8. 15-66-4011 - NRP Reconstruction - Kilkenney (\$1.5 million)

\$1.46M funding transfer from CM-25-0000 Transportation: Neighbourhoods - Renewal to cover 2019 overspend. The project is overspent due to a number of conditions that were unforeseen at the time the original project estimate was created. Roads were in a more deteriorated condition than expected, and a number of road structures had to be altered from their original design.

3.3-9. Local Improvement Property Share Over Expenditures (\$1.4 million)

The following profiles incurred trailing costs following project completion. These costs are being funded with a transfer of existing funding from CM-25-0000: Transportation Neighbourhood Renewal.

- 13-66-1080 - NRP Recon - Bonnie Doon

- 13-66-1081 - NRP Recon - Westmount
- 14-66-1068 - NRP Recon - Glenora
- 14-66-1083 - NRP Recon - Belgravia
- 15-66-4010 - NRP Recon - Montrose
- 15-66-4011 - NRP Recon - Kilkenny
- 15-66-4050 - NRP Recon - Newton (S/123 Ave)
- 16-66-4015 - NRP Recon - Bellevue
- 19-40-9016 - NRP Recon - Canora / West Jasper Place

3.3-10. 15-66-4011 - NRP Reconstruction - Kilkenny (\$1.1 million)

The Kilkenny Neighbourhood Renewal project encountered significant problematic road conditions which resulted in numerous road structures having to be altered from their original designs to a more costly treatment in order to meet the lifecycle objectives of the renewal project. Additionally, this project was budgeted before the PDDM process was implemented which resulted in it having little contingency to cover any unforeseen conditions. This amount is being funded with a funding transfer from CM-25-0000 Transportation: Neighbourhoods - Renewal.

3.3-11. Tax-Supported Debt Over-Expenditures (\$0.2 million)

Project actuals were charged to the profiles listed below. The charges will be funded by reallocating the budget from CM-21-5800 Great Neighbourhoods Initiative, which holds the approved funding for these costs.

- 09-21-5800 - Great Neighbourhoods Initiative
- 12-21-5800 - Great Neighbourhoods Initiative

3.3-12. 16-66-4015 - NRP Recon - Bellevue (\$0.2 million)

The Bellevue Neighbourhood Renewal project encountered problematic road conditions that resulted in numerous road structures having to be altered from their original designs to a more costly treatment in order to meet the lifecycle objectives of the renewal project. Additionally, this project was budgeted before the PDDM process was implemented which resulted in it having very little contingency to cover any unforeseen conditions. Additional costs of \$205K are being recommended to be funded from the Neighbourhood Renewal Reserve.

Recosting Decreases - Funding Releases

Recosting adjustments that result in a net decrease to the City's approved capital budget are as follows:

3.3-13. Release of Funding from Drainage Projects Transferred to EPCOR (<\$43.9 million>)

Removal of Epcor Contributions, Federal Building Canada Fund and Other Grants - Provincial as these drainage profiles have been fully transferred to Epcor. The following profiles will have all remaining funding removed from the City's capital budget and be closed:

- 16-23-9802 - Tawa Dry Pond (TW1, HV1, WL1)
- 16-23-9805 - Malcolm Tweddle & Edith Rogers Dry Ponds

Recosting Decreases - Funding Transferred to Existing Composite Profiles

Notable recosting adjustments that result in unspent funding from standalone profiles being transferred back to existing composite profiles (and therefore have no impact to the City's overall capital budget) are as follows:

3.3-14. 19-40-9015 - NRP Recon - Royal Gardens (<\$3.0 million>)

This project is anticipated to be completed under budget. This underage is due to a more defined scope developed after Checkpoint #3 resulting in lower than anticipated costs. \$3M of Neighbourhood Renewal Reserve funding will be transferred from 19-40-9015 Royal Gardens Neighbourhood Renewal to CM-25-0000 Neighbourhood Renewal Composite.

3.3-15. 14-66-1083 - NRP Recon - Belgravia (<\$1.6 million>)

The project was completed under budget. \$1.6M of Neighbourhood Renewal Reserve funding will be transferred from 14-66-1083 Belgravia Neighbourhood Renewal to CM-25-0000 Neighbourhood Renewal Composite.

3.3-16. 19-40-9016 - NRP Recon - Canora / West Jasper Place (<\$1.3 million>)

The project was completed under budget. \$1.3M of Neighbourhood Renewal Reserve funding will be transferred from 19-40-9016 Canora & West Jasper Place Neighbourhood Renewal to CM-25-0000 Neighbourhood Renewal Composite.

3.4 Historical Adjustments

This type of adjustment occurs when a change in a funding source in past years requires an adjustment to the overall budget of a profile. For example, changes in projected partnership funding or developer financing could occur throughout the lifetime of the capital profile, or the City may receive additional grant funding.

	Impact to 2019-2022 Capital Budget (\$000's)
Total Value of Historical Budget Increases	\$12,246
Less: Historical Budget Increases offset with decreases to existing approved budget	<\$78>
Total Value of Historical Budget Decreases	<\$1,850>
Net Impact to Approved 2019-2022 Capital Budget	\$10,318

Historical adjustments recommended in the Spring 2020 SCBA will result in a net \$10.3 million increase to the 2019-2022 Approved Capital Budget. One of the larger adjustments in this category relates to the addition of \$6.0 million to project 04-16-2100 - Fort Road Redevelopment Plan Implementation project. The funds were previously released but upon further review are required to correctly recognize full expenditures and related funding.

A detailed breakdown of recommended Historical Adjustments can be found in the Detailed Spring 2020 SCBA Report in Attachment 3.

3.5 Funding Source Adjustments (Council)

This type of adjustment is strictly for funding source adjustments that result in no change to the overall budget of a profile, however requires Council approval because they involve reserve funding or debt funding. Composite profiles are also included as part of this process. All sources of funding adjustments will result in an overall adjustment balance of "0". One of the larger adjustments in this category includes use of \$5.3 million in Edmonton Public Library Pay-as-you-go Reserve and other provincial grant funding for project 12-2-0055 Milner Library Renewal & Upgrades, as a result of receiving lower than expected partnership funding.

A detailed breakdown of recommended Funding Source Adjustments (Council) can be found in the Detailed Spring 2020 SCBA Report in Attachment 3.

3.6 Transfers in Excess of \$2 Million Between Profiles

Approved profiles with transfers between them that exceed \$2 million need to be approved by City Council. The net result is an overall adjustment of \$0 to the 2019-2022 Approved Capital Budget. The majority of items in this category are related to realignment of budgets to match actual expenditures. Some transfers that are under \$2 million are also included within this category due to the type of funding source or additional transparency.

A detailed breakdown of recommended Transfers in Excess of \$2 million Between Profiles can be found in the Detailed Spring 2020 SCBA Report in Attachment 3.

3.7 Transfers from Capital to Operating

\$5.5 million of capital funding for approved profiles is required to be transferred to operating, since these amounts are classified as operating expenses for accounting purposes.

A detailed breakdown of recommended Transfers from Capital to Operating can be found in the Detailed Spring 2020 SCBA Report in Attachment 3.

3.8 Transfers from Operating to Capital

Approved profiles require a transfer of \$2.6 million of Operating funding to Capital Expenditures.

A detailed breakdown of recommended Transfers from Operating to Capital can be found in the Detailed Spring 2020 SCBA Report in Attachment 3.

3.9 Project Development and Delivery Model Adjustments

Approved by City Council at the April 25, 2017 meeting, Capital Project Governance Policy C591 implemented the Project Development and Delivery Model (PDDM) to ensure that all capital projects (infrastructure, fleet and equipment, information technology and land) follow a phased

approach that includes formal checkpoint reviews as projects progress through their lifecycle (strategy, concept, design, build and operate). As the majority of projects approved in the 2015-2018 capital budget predate this policy, a number of profiles were advanced without the benefit of this process to define scope, schedule and budget. These adjustments allow for consistent measuring of all capital profiles in accordance with the PDDM model.

There are no PDDM Adjustments recommended in the Spring 2020 SCBA.