

Westwood Transit Garage

Recommendation:

That Capital Profile 11-66-1412 Westwood Transit Garage, be decreased by \$11.8 million in MSI funding, and reallocated as follows:

- \$9.95 million to Capital Profile 11-66-1483 Yellowhead Improvements
- \$1.874 million to Capital Profile 12-66-1056 Neighbourhood Renewal Projects

Report Summary

This report provides revised Capital Profile 11-66-1412 which outlines the changes due to the recommended cancellation of the Westwood Transit Garage renovations.

Report

A building condition assessment on Westwood Transit Garage was conducted in 2005 with a preliminary estimate of \$66 million identified to upgrade the facility. City Council approved \$32.6 million in funding for this work in the 2009-2011 Capital Plan (Project 09-41-6601), with the remaining \$33.4 million falling to the unfunded category.

A consultant was hired and design work commenced in 2011. Through this review, it was identified that the approved funding (\$32.6 million) would allow for replacement of most of the critical facility components but to complete the renovation and provide for a 50-year life would still require funding up to \$66 million.

Administration is recommending the cancellation of the Westwood Transit Garage renovation project and would recommend City Council consider a project for construction of a new bus garage to replace it. The rationale is as follows:

- The cost to undertake a complete overhaul of the facility is \$66 million. In comparison, Centennial Garage was completed in 2010 for under \$100 million which has a bus capacity of 250 versus Westwood's capacity at 300. Centennial's capacity excludes bus lane space which could accommodate an additional 50 buses.
- The value of the Westwood land to the City is potentially higher with redevelopment.
- There is potential to take advantage of the P3 Canada program, which provides up to 25% funding for qualifying projects.
- Under the scenario of replacing the Westwood Transit Garage with a new facility, design and construction of a new garage would take place within five years. The new facility would likely have to be designed with a higher bus capacity to accommodate projected bus growth.
- As the city continues to expand with rapid economic growth of the Province, demands on all services have increased. Over the last five years, the growth in ridership was recorded at an average of 6% annually. It is projected that growth will continue at the same rate.
- Due to the present condition of Westwood Transit Garage, an estimated \$6 million in capital

funding would still be required for rehabilitation to maintain the safety and functionality of the facility over the next five years.

Operating and capital savings would be realized should construction of a replacement facility be completed earlier.

Administration has determined the need for an additional garage within five years. If this is approved, it is anticipated that there will be adequate garage space through 2016 (current garage capacity provides sufficient space to accommodate up to 70 growth buses).

Three storage tents located on the Ferrier Garage site are presently being utilized for bus storage. The additional storage capacity provided with these tents can also be used until the new garage is constructed.

Corporate Outcomes

- The Way We move – Shift Edmonton's Transportation Modes
- The Way We Live – Improve Edmonton's Liveability

Budget/Financial Implications

The Municipal Sustainability Initiative funding requirement for Capital Profile 11-66-1412 is recommended to be decreased by \$11.8 million, leaving \$20.8 million. \$6 million can be used to fund the rehabilitation. The remaining \$14.8 million of available funding would be available for land acquisition and design of the new garage. Costs relating to decommissioning the garage will also need to be assessed such as reclamation and building take down costs.

Administration recommends that \$9.95 million of the \$11.8 million reduction be allocated to project 12-66-1483 Yellowhead Improvements to allow for the purchase of property that Yellowhead Trail occupies currently under lease from CN. This is described in report 2011CF3767 on Yellowhead Trail Stage 1 Improvements.

Administration further recommends that \$1.874 million of the \$11.8 million reduction be allocated to project 12-66-1056, Neighbourhood Renewal Projects. When combined with the \$28.1 million in reallocation recommended in the Walterdale Bridge Finance Strategies report (2011CF5737), it would provide the \$30 million required to return the level of funding in the Neighbourhood Renewal Projects to previous levels.

The Professional Services Agreement with the Consultant for the renovation project provides the City the ability to terminate the agreement should the City abandon the project. The City would pay for all services provided to the date of termination. The recommended budget has sufficient funding to accommodate the termination costs.

Justification of Recommendation

Due to the significant cost to rehabilitate the Westwood Transit Garage, Administration is recommending that a new facility be built. Funding for land acquisition and design should be maintained in the 2012-2014 budget but would allow for \$11.8 million to be reallocated.

- The reallocation of \$9.95 million in funding from the Westwood Transit Garage to the Yellowhead Improvements project would allow for the purchase of property that Yellowhead Trail occupies currently under lease from CN that is required within the term of the 2012-2014 capital plan.
- The reallocation of \$1.874 million in Municipal Sustainability Initiative funding from the Westwood Transit Garage to the Neighbourhood Renewal Projects when combined with the \$28.1 million in reallocation recommended in the Walterdale Bridge Finance Strategies report, would provide the \$30 million required to return the level of funding in the Neighbourhood Renewal Projects to previous levels.

Attachments

1. Capital Profile 11-66-1412

Others Reviewing this Report

- D. H. Edey, General Manager, Corporate Services

Capital Profile 11-66-1412

Transportation (thousands of dollars)									
PROGRAM: Transit		LEAD DEPT:							
PROJECT NAME: Westwood Transit Garage Upgrades		11-66-1412							
Group-Criteria: A-110 Projects Specifically Directed By		Program Mgr: Stolte C.		Project Mgr:					
Goal: Transform Edmonton's Urban Form (GROW)		Outcome: Sustainable infrastructure that supports community							
BUDGET		Prior Years	2012	2013	2014	2015	2016	Total	
Budget as Approved		3,495	16,514	12,575	-	-	-	32,584	
Change		-	(11,824)	-	-	-	-	(11,824)	
Revised Budget		3,495	4,690	12,575	-	-	-	20,760	
PLANNED AMOUNT NOT APPROVED FOR SPENDING									
Existing Plan Expenditures		-	-	-	-	-	-	-	
Change		-	7,647	25,769	-	-	-	33,416	
Revised Expenditures		-	7,647	25,769	-	-	-	33,416	
TOTAL CAPITAL EXPENDITURE PLAN		3,495	12,337	38,344	-	-	-	54,176	
Financing		Budget Request	Prior Years	2012	2013	2014	2015	2016	Total
Munc Sustain. Initiative - MSI		(11,824)	3,345	4,176	12,250	-	-	-	19,771
General Financing		-	150	8,161	26,094	-	-	-	34,405
Total Financing		(11,824)	3,495	12,337	38,344	-	-	-	54,176
Description									
Scope: This project funds the refurbishment of Westwood Transit Garage. Rehabilitation work includes HVAC and mechanical systems upgrades, asbestos removal, electrical upgrades, hoist replacement, drainage trench replacement, upgrading fuel bays and storage areas, renovation and expansion of office space, reconstruction of the maintenance areas, and renovation of the stockroom/storage area.									
Timeline: Design will be completed in 2012 and construction will be phased over 2012/2013.									
Dependencies: It is imperative that this project obtain the full \$66M funding in order to take advantage of the full benefit of building upgrading. This project depends on the complete renovation to effectively utilize the renovation program. Partial or incomplete renovation funding will be resulting in continued inefficient and ineffective bus maintenance and building maintenance and energy costs.									
Justification									
Items in this composite project are remedial actions required to maintain the safety and operating efficiency, reliability and serviceability of Westwood Transit Garage. Funding will help to avoid increased maintenance and replacement costs in the future. It will address safety and building code issues. It will equip the facility with more energy efficient systems. An effective garage will reduce fleet operating and maintenance costs resulting in providing effective bus operations. Partial or incomplete renovation funding will be resulting in continued inefficient and ineffective bus maintenance and building maintenance and energy costs.									
Last Updated: 21-NOV-2011		Project Cost Breakdown							
		Design & Construction \$ 66,000							
		\$ 66,000							