

# Summary of Spring 2019 SCBA Recommendations

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## Summary of Recommended 2019 Spring SCBA Adjustments

The following is a high level summary of the total impact of the 2019 Spring SCBA to the 2019-2022 Approved Capital Budget. Adjustments are broken down by budget adjustment type. This is a summary of the Detailed 2019 Spring SCBA Adjustment Report in Attachment 4.

No.	Budget Adjustment Type	Impact to 2019-2022 Capital Budget (\$000's)
2.1	New Profiles Recommended for Funding	\$50,544
2.2	Scope Changes	\$22,094
2.3	Recosting	\$3,899
2.4/ 2.4R	Historical Adjustments	\$29,510
2.5	Approved Profiles with Changes in Funding	\$28,902
2.6	Transfers in Excess of \$2 Million Between Profiles	\$ -
2.7	Transfers from Capital to Operating	<\$6,128>
2.8	Transfers from Operating to Capital	\$2,610
2.9	Project Development and Delivery Model Adjustments	\$ -
	<b>Totals</b>	<b>\$131,431</b>

## Breakdown of 2019 Spring SCBA Adjustments

The following is a high level summary for each of the categories of 2019 Supplemental Capital Budget Adjustments shown in the Detailed 2019 Spring SCBA Adjustment Report (Attachment 4).

### 2.1 New Profiles Recommended for Funding

New profiles recommended for funding can be broken down further between profiles requesting new funding, and new stand-alone 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.

### New Profiles Requesting New Funding

As detailed in Attachment 4, Administration is recommending Council approve the following Tax Supported new capital and stand-alone profiles for funding. Please refer to the specific capital profiles included in Attachment 8 for additional information for each capital project. The approval of these new profiles will increase the overall approved 2019-2022 Capital Budget by \$50.5 million.

#### **2.1-1. CM-21-1771 - Safety and Security for Community and Recreation Facilities (CRF) (\$2.4 million)**

This profile would fund projects to improve or mitigate identified safety and security concerns for park and facility users, employees, and to protect City assets. As many recreation centres and parks were not designed to adequately handle today's safety and security issues or support new technologies, this composite enables improvements/modifications to occur, and new approaches to be tested for effectiveness. Eligible projects are aimed at one of the following:

- Creating a safe and secure environment for citizens and employees
- Reducing or mitigating safety hazards
- Protecting City assets

Specific projects are varied and may include the purchase and installation of high dollar value equipment, and technology upgrades. 50 project requests were received in 2017 and over 60 were received in 2018, ranging from CCTV installations to a drowning prevention solution camera system in pools (not related to scope adjustment for Swimming Pools OHS Improvements Planning and Design recommended in adjustment 2.2.4 in Scope Changes section).

#### **2.1-2. CM-21-2010 - Commonwealth Stadium Equipment 2019-2022 (\$0.3 million)**

This profile would fund the planned replacement of high dollar value program and service delivery equipment that is integral to supporting revenue generation within the Stadium by addressing identified demand, capacity and functionality issues.

This new profile CM-21-2010 is funded from the Commonwealth Stadium Reserve. The City has committed to establishing and maintaining the Commonwealth Stadium Reserve Fund since 1995.

#### **2.1-3. 19-21-2123 - Indigenous Cultural & Wellness Centre (\$2.8 million)**

The Indigenous Culture and Wellness Centre is one of the projects approved as part of the EndPovertyRoad Map 2017-2021. This one-time funding is for the planning and design of the Indigenous Culture and Wellness Centre and was approved in the Fall 2016 SOBA as part of the ongoing service package for EndPovertyEdmonton. Administration is recommending the previously approved funding be transferred from operating to capital to allow Administration to track this funding more effectively going forward.

**2.1-4. 19-61-3002 - LRT Trackside Maintenance Worker Secondary Safety System (\$1.8 million)**

This profile would provide funding for a secondary safety system for LRT Trackside Maintenance Workers in addition to the current 'simple approval' method. The current 'simple approval' method was ruled as insufficient by the National Transportation Safety Board (NTSB). A secondary warning device safety system will comply with NTSB recommendations for deployment of redundant protection for track workers.

**2.1-5. 19-51-1904 - Next Generation 9-1-1 (NG911) IP Call Handling (\$4.3 million)**

This profile would fund the overall NG911 initiative, which includes the selection and implementation of the IP call handling technology and implementation of further CRTC requirements by 2022.

The Next Generation 9-1-1 (NG911) Internet-Protocol (IP) Call Handling initiative is the first step for Edmonton Fire and Rescue Services (EFRS) on the roadmap toward implementing NG911 services as directed by the Canadian Radio-television and Telecommunication Commission (CRTC) and is being executed as a combination of two projects: the Edmonton Police Services' IP Call Handling project (a cost-sharing partnership project between EPS and EFRS) and the EFRS IP Call Handling Readiness project (an EFRS only project). The outcome of the two projects will be the implementation of 1) an NG911 ready IP call handling system to replace the legacy 9-1-1 telephone system used today and 2) the required City of Edmonton network infrastructure upgrades to ensure that the new phone system is secure and highly available.

**2.1-6. 19-18-1904 - Enterprise System Transformation Program (Phase 1) (\$30.0 million)**

This budget adjustment would provide funding for Phase 1 of the Enterprise Systems Transformation Program. The Enterprise Systems Transformation Program will improve Administration's ability to provide core and resident service delivery in an integrated and cost-effective manner. Additional information is provided for Council in "CR\_6894 - Enterprise Systems Transformation Program".

**2.1-8. CM-17-3017 - Natural Areas Acquisition (\$9 million)**

This profile is self-funded through the Natural Area Reserve Fund (NARF) which was set up for the purpose of acquiring key natural areas located on the table land that are not able to be acquired through the dedication of Municipal or Environmental Reserve. The current balance of the NARF is approximately \$9.5M which is earmarked for significant natural areas in Riverview, Decoteau, Edgemont, and Horse Hill. Approximately \$5.0M that was approved during the 2015-2018 Capital Budget was released back the NARF and this change request is to reestablish the approval to access those funds and enable Administration to acquire natural areas in an efficient proactive approach and still be reactive to the changing development patterns throughout the city. This change request is to allow Administration full access to the NARF for acquisitions in alignment with our land acquisition process policies.

### New Stand-Alone 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 are being moved out to be compliant with Capital Budget practices (\$2 million or greater for growth and \$5 million or greater for renewal projects). This results in a net zero adjustment to the 2019-2022 Capital Budget. Please refer to the specific capital profiles included in Attachment 8 for additional information for each capital project. The approval of these projects would have a \$0 impact on the overall 19-22 Capital Budget.

#### **Neighbourhood Renewal Profiles (\$279.9 million)**

Neighbourhood Renewal includes replacement of roadway base, paving, curbs, gutters, sidewalks, and street lights and coordinates related work for mature tree management, and minor geometric and active modes connections/facilities improvements. These standalone profiles are being established at checkpoint 3, consistent with the Project Development and Delivery Model. The following profiles seek approval:

Ref	Profile No.	Profile Name	Amount (\$ Millions)
2.1A-1	19-40-9010	NRP Recon - Alberta Avenue	\$50.5
2.1A-2	19-40-9011	NRP Recon - Central McDougall	\$28.0
2.1A-3	19-40-9012	NRP Recon - Highlands	\$47.1
2.1A-4	19-40-9014	NRP Recon - Strathcona	\$65.1
2.1A-5	19-40-9015	NRP Recon - Royal Gardens	\$30.4
2.1A-6	19-40-9016	NRP Recon - Canora/West Jasper Place	\$6.7
2.1A-7	19-40-9013	NRP Recon - Inglewood	\$52.1
		<b>Total</b>	<b>\$279.9</b>

#### **2.1-7. 19-20-5001 - Streetscape Improvements (97 St: Jasper Ave to 102 Ave) (\$6.8 million)**

This project includes the design and construction of streetscape Improvements for 97 Street between Jasper Avenue and 102 Avenue. The streetscape is required to enhance the public realm of 97 Street, to tie into the Jasper Avenue New Vision project, and to adjust the road geometry to accommodate the future New Harbin Gate. The funding source for this new profile is a transfer of previously approved Downtown CRL Debt and Quarters CRL Debt from capital profiles “11-17-0407 – The Quarters Phase 1” and “15-74-4109 – Future Phase Green and Walkable – Other Streets”.

#### **2.1A-8. 19-12-0100 - Muttart Conservatory Rehabilitation (\$12.4 million)**

The primary objective of the Muttart Conservatory Rehabilitation project is to rehabilitate the Muttart Conservatory which has been an iconic landmark and tourist attraction since 1976. The rehabilitation goals are to make the facility more energy efficient, code & safety compliant, extend the building life expectancy, as well as

improve the user experience. Funding is proposed to be transferred from the existing Service Delivery Facility renewal profile, CM-12-0000.

**2.1A-9. 19-24-0100 - Bridge Rehab - 170 St Over CN Rail Bridge (B170) (\$5.5 million)**

The scope of work includes the identified repair work on the bridge deck, girders, abutments, and barriers in accordance with the B170 bridge assessment. Work also includes minor geometric improvements, new sidewalk/active mode connections, minor traffic signal/controller upgrades and selective removal of streetlights as required. Funding is proposed to be transferred from the existing Bridges & Auxiliary Structure renewal profile, CM-24-0000.

## **2.2 Scope Changes**

Scope changes recommended in the 2019 Spring SCBA will result in a net \$22.1 million increase to the 2019-2022 Approved Capital Budget. Noted profiles with a change in scope include the following:

**2.2-1. CM-66-3602 - Bus Renewal and Rehabilitation (\$0 million)**

This scope change is to transfer funds previously approved for Bus Replacement, to fund the purchase of (1) 60' bus for Heritage Valley Park and Ride. The impact of this change is \$0.

**2.2-2. 19-18-1901 - Information Security and Disaster Recovery Enhancements (\$1.2 million)**

This scope change relates to supporting the logical and physical move of the data centre. The scope change is funded with a transfer of \$1.2 million from Capital Profile 17-99-2001 - Century Place Base Bldg Rehab. These funds were originally transferred to 17-99-2001 in the 2017 Spring SCBA to accommodate a refrigerant change in the Century Place data centre. This change is no longer planned, as the data centre is relocating.

**2.2-3. CM-30-3030 - Open Space: Planning and Design - Growth (\$0.2 million) & CM-99-9000 - Infrastructure Delivery - Growth (\$1.3 million) - (Total: \$1.5 million)**

Canadian Tire Jumpstart Foundation has expanded its mandate to remove accessibility barriers to sport and recreation for children with disabilities. As part of the Play Finds A Way Initiative, the charity is committed to building universally accessible playgrounds across Canada. Playgrounds have been built in Calgary, Toronto, Winnipeg, Charlottetown, and Prince Albert. This adjustment approves \$1.5 million in design and delivery funding (\$1M partner funding, 500k PAYG). An additional \$300k is being transferred to fund the project from approved operating funds requested in SCBA-C-2019-00116.

**2.2. CM-10-1010 - Facility: Planning and Design – Growth (\$0.6 million)**

The scope change to this composite profile relates to the following two items:

2.2-4. Swimming Pools OHS Improvements Planning and Design (\$0.2 million)

Planning and design of improvements required to meet occupational health and safety and functional requirements in existing pool facilities, including gas detection, WHMIS, chlorine room upgrades, salt-cell technology, etc.

2.2-5. Fire Station Gear Rooms Planning and Design (\$0.4 million)

Planning and design of new gear rooms for existing fire stations, required to meet legislated requirements for ventilation of gas and harmful chemicals from post-fire equipment.

**2.2-6. CM-17-1004 - Suburban School and Park Land Acquisition (\$12 million)**

This profile is self-funded through the Funds In Lieu of Reserve (FILR) account. Revenues are generated through money-in-place-of-reserves required during the subdivision process, the sale of surplus municipal reserve, and approved easements/rights-of-way on municipal reserve. The current balance of the FILR account is \$22 million which is earmarked for parkland acquisition commitments throughout the City. The current balance does not account for projected revenues of \$13 million during the 2019-2022 budget cycle. Approximately \$11.7 million that was approved during the 2015-2018 Capital Budget was released back the FILR account and this change request reestablish the approval to access those funds to enable Administration to acquire parkland in an efficient proactive approach and still be reactive to the changing development patterns throughout the city.

This budget adjustment will provide the authority to spend additional available reserve dollars above the originally approved funds for the 2019-2022 budget cycle. The additional approved funding will allow Administration to quickly seize land purchasing opportunities when they arise.

**2.2-7. CM-17-1004 - River Valley Land Acquisition (\$8 million)**

This profile is self-funded through the Parkland Purchase Reserve (PPR) account. Revenues are generated through money-in-place-of-reserves required during the subdivision process, the sale of surplus municipal reserve, and approved easements/rights-of-way on municipal reserve. The current balance of the PPR account is \$19.7 million which is earmarked for acquisition commitments throughout the North Saskatchewan River Valley and Ravine System and select table land parks. The current balance does not account for projected revenues of \$11 million during the 2019-2022 budget cycle. Approximately \$4.1 million that was approved during the 2015-2018 Capital Budget was released back the PPR account and this change request will not only reestablish the approval to access those funds but allow Administration to access available funding to acquire parkland in an efficient proactive approach and still be reactive to the changing development patterns throughout the city.

This budget adjustment will provide the authority to spend additional available reserve dollars above the originally approved funds for the 2019-2022 budget cycle. The

additional approved funding will allow Administration to quickly seize land purchasing opportunities when they arise.

## 2.3 Recosting

Recosting changes recommended in the 2019 Spring SCBA will result in a net \$3.9 million increase to the 2019-2022 Approved Capital Budget. Noted profiles requiring recosting include the following:

### **Profiles Requiring Adjustment Related to Revised Overhead Allocation Rate (\$2.0 million Total):**

The following capital profiles require a recosting adjustment mainly due to a higher overhead rate than was originally considered in the initial project estimate:

- 12-20-0055 - Milner Library Renewal & Upgrades
- 12-60-1376 - Northwest Campus
- 15-28-5823 - Jasper Place Bowl Grandstand Replacement
- 15-75-0106 - Davies Site Richard Paterson Garage Building Rehabilitation
- 15-75-0107 - Ferrier Transit Garage Building Rehabilitation
- 15-75-0108 - Mitchell Transit Garage Building Rehabilitation
- 15-75-0109 - Westwood Site MES/Central Stores Building Rehabilitation

The combined total adjustment for all 7 profiles is \$2.0 million and is comprised of budget adjustments 2.3-1. & 2.3-3. in the Detailed 2019 Spring SCBA Report in Attachment 4.

### **2.3-4. 17-99-2010 - Bonnie Doon Pool Rehabilitation (\$1.4 million)**

The profile experienced increased costs due to an unforeseen sewer line collapse and increased furniture, fixture and equipment costs. Costs are also higher than planned due to a higher overhead rate than was originally considered in the initial project estimate.

### **2.3-5. 15-70-0004 - Windermere Fire Station (\$0.4 million)**

The profile has experienced increased costs to the furniture, fixtures and equipment portion to purchase fire trucks and impacts due to unfavourable USD exchange rate and tariffs on steel.

## 2.4/2.4R 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. Historical Adjustments recommended in the 2019



Spring SCBA will result in a net increase to the 2019 - 2022 Approved Capital Budget of \$29.5 million.

A detailed breakdown of recommended Historical Adjustments can be found in the Detailed 2019 Spring SCBA Report in Attachment 4.

## **2.5 Approved Profiles with Changes in Funding**

This type of adjustment is similar to a historical adjustment, but in this case the change in funding source requiring a change in profile budget is identified in current or future years instead of in past years. The net result is an overall net increase to the 2019-2022 Approved Capital Budget of \$28.9 million. Noted profiles with a change in scope include the following:

### Alberta Community Transit Fund (ACTF) Funding (\$28.4 million)

City Council made a number of motions related to ACT funding in the 2019-2022 Capital Budget to hold \$270.8 million of funding in abeyance and return to Council in the Spring SCBA with an update. Attachment 1 of CR\_7048 provides a summary of the motions made, and Attachment 6 of CR\_7048 provides a summary of the original budgets approved in abeyance, and the recommended changes based on the ACT funding that was approved by the Province for each project. The overall net increase to the group of ACT projects is \$28.4 million.

A detailed breakdown of recommended Approved Profiles with Changes in Funding can be found in the Detailed 2019 Spring SCBA Report in Attachment 4.

## **2.6 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.

A detailed breakdown of recommended Transfers in Excess of \$2 million Between Profiles can be found in the Detailed 2019 Spring SCBA Report in Attachment 4.

## **2.7 Transfers from Capital to Operating**

\$6.1 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 2019 Spring SCBA Report in Attachment 4.

## **2.8 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 2019 Spring SCBA Report in Attachment 4.

## **2.9 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 more robust process to define scope, schedule and budget. Administration is asking Council to approve the revised cash flows and completion dates for the following profiles. Updating the cash flow, refining the scope of work, and revising the completion date for these profiles will allow Administration to begin consistently measuring its capital project performance with the gates associated with the PDDM. Updates to the status of these profiles are communicated to Council and the public through Integrated Infrastructure Services quarterly capital project reporting (Building Edmonton web-based map).

#### Yellowhead Trail Upgrade Profiles

On February 21, 2017 City Council approved the following 6 stand-alone profiles for the Yellowhead Trail Upgrades program:

Profile No.	Profile Name	Amount (\$ Millions)	Estimated Completion
15-66-2224	Yellowhead Trail - 89 St & 66 St Improvements	\$38.5	Dec 2022
16-66-2214	Fort Road (Yellowhead Trail - 66 Street) 6 Lane Widening	\$36.4	Dec 2022
17-66-2216	Yellowhead Tr (50 Street-River) 6 Lane Widening	\$35.1	Dec 2022
17-66-2307	Yellowhead Trail - 149 Street Freeway Conversion	\$274.6	Jan 2024
22-66-2314	Yellowhead Trail 127 Street Interchange	\$340.3	Jan 2027
23-66-2317	Yellowhead Trail 121 Street Interchange	\$277.8	Jan 2027
	<b>Total</b>	<b>\$1,002.7</b>	

These profiles were brought forward prior to implementation of the Project Development and Delivery (PDDM) Model. Administration is recommending that the PDDM model be implemented for these profiles, and the stand-alone profiles previously approved are consolidated into the following two composite profiles for development and delivery:

Profile No.	Profile Name	Amount (\$ Millions)	Estimated Completion
CM-99-0060	Yellowhead Trail Freeway Conversion: Development - Growth	\$322.4	Dec 2026
CM-99-9600	Yellowhead Trail Freeway Conversion: Delivery - Growth	\$680.3	Dec 2027
	<b>Total</b>	<b>\$1,002.7</b>	

The impact of this change is that the completion dates of the previously approved stand-alone profiles will no longer exist, and revised estimated completion dates will be brought forward at the time projects within the composite profiles reach checkpoint 3.

### **Attachment #3**

A detailed breakdown of recommended Project Development and Delivery Model Adjustments can be found in the Detailed 2019 Spring SCBA Report in Attachment 4.