

Responses to City Council Questions on the 2019-22 Proposed Capital Budget

The following report is sorted
numerically by question number.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Esslinger

Question #: 19-001C

Budget Page #:

What is the status of the Africa Centre building? What has been approved to date?

Question Answer:

Capital Funds have been previously approved in the 2015-2018 Capital Budget (15-21-1040; \$0.83M) to advance the development (planning and design) of a new African Multicultural Community Centre with the Africa Centre as the lead partner. Approximately \$160,000 has been spent to date to complete procurement of architecture services and develop a public engagement strategy. In July 2018, Administration informed the Africa Centre that the project is on hold until the Centre has hired a permanent Executive Director, the Board shows progress on the recommendations from the Governance and Management review conducted by the City Auditor, and provides documents required for capital projects such as an updated Business Case. Funds are currently being carried forward and reporting as a project variance. The timeframe for Africa Centre to complete the above requirements is unknown at this time but Administration estimates it could take at least one year, moving next steps to 2020. The project upon continuation would start at the public engagement phase.

Branch: Infrastructure Planning & Design

Asked By: Councillor Esslinger

Question #: 19-002C

Budget Page #: 628

What is the status of the NW Seniors Centre facility upgrade/community hub. What dollars are required to ensure the planning and design continue. I note an unfunded s project number 17. NW Seniors Centre planning and design, expansion to the Grand Trunk arena.

Question Answer:

A business case (operating budget) is currently in development to investigate possible options, including but not limited to, a new building, functional adaptive reuse of existing building, or a partnership with another City or Private facility at another possible location. The business case, when completed, would inform the first step required before a project can be initiated and considered eligible for any capital funding. This project is currently at checkpoint 0. The unfunded project included in the budget is conditional on the business case being developed and approved and is not recommended for capital investment at this time.

Administration is currently working with the North west Edmonton Seniors Society as well as seven other potential community partners to develop the business case required to inform any future capital budget requests. Once the community partners establish components such as a functional needs assessment, funding strategy and an operating plan to complete the strategy phase the community partners may qualify for a Community Facility Partner Capital Grant program which include a planning grant and an operating grant. Until these components are established an estimate of funding required for the planning and design is not possible.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Esslinger

Question #: 19-003C

Budget Page #: 630

Currently number 56, under roads is unfunded for the 118 Avenue/101 Traffic Circle upgrades and reconstruction. When is this proposed to be addressed? The discussions from communities around the Yellowhead Freeway have also requested this intersection be addressed.

Question Answer:

As work advances on the Yellowhead Trail Freeway Conversion Program, in particular in the area of 107 Street / Yellowhead Trail, further assessment and evaluation will be completed to analyze the impacts on adjacent road networks resulting from changes to the Yellowhead Trail corridor. The traffic circle upgrades contemplated in this project are not anticipated to improve the capacity as much as they are intended to improve ease of operation and safety with a modern design.

2019-22 Capital Budget Questions By Question

Branch: Parks & Roads Services

Asked By: Councillor Esslinger

Question #: 19-004C

Budget Page #: 632

A number of unfunded profiles refer to Traffic Safety improvements (numbers 83, 85, 86 and 87). I note that only one has identified funding through the Traffic Safety Automated Enforcement Reserve. How much is in the reserve and why are these items not recommended for this reserve. What are the details and amounts of these projects.

Question Answer:

Administration is currently reviewing the Traffic Safety Automated Enforcement Reserve to balance outstanding work from 2018 and priorities for 2019 to 2022 to continue safety improvements across the City. As a result, Traffic Safety Automated Enforcement Reserve related capital profiles brought forward in the 2019-2022 Capital budget are unfunded until this review is complete.

The unfunded capital profiles (Attachment 1) equal \$65 million over the 2019-2022 budget cycle. Current funding available in the reserve and projections for 2019-2022 are shown in Attachment 2. Available reserve balance (cumulative) by the end of 2022 is projected to be \$19 million which is insufficient to fund all the identified capital profiles (\$65M).

Administration will bring forward a prioritized list of Traffic Safety Related projects that are aligned with Vision Zero targets and will include new programs/profiles in Q2, 2019 with the Vision Zero Annual Report. Based on Council direction, administration will then present the finalized capital profiles for approval during the subsequent Supplementary Capital Budget Adjustment (SCBA).

The Traffic Signals - Developer and ARA Funded profile mentioned in the Proposed 2019-2022 Capital Budget - Attachment 1 (page 48: CM-66-2525) under Traffic Safety as a service area, is not funded through Traffic Safety Automated Enforcement Reserve. This profile is funded through developer funding.

2019-22 Capital Budget Questions By Question

Attachment 1: Unfunded capital profiles

Automated Enforcement

Proposed 2019 - 2022 Capital Budget - Unfunded Profiles

Budget Document Page # reference	(\$000)	2019 Budget	2020 Budget	2021 Budget	2022 Budget	Total
Appendix C: unfunded Projects Page 632, line 87	Traffic Signals - Pedestrian Vehicle Safety (CM-66-2520)	5,000	5,000	5,000	5,000	20,000
Appendix C: unfunded Projects Page 632, line 85	Traffic Safety - Speed Management Equipment (CM-66-2545)	3,414	3,414	3,414	3,414	13,656
Appendix C: unfunded Projects Page 632, line 86	Traffic Safety Engineering Measures (CM-66-2550)	3,500	3,500	3,500	3,500	14,000
Appendix C: unfunded Projects Page 632, line 83	Community Traffic Safety Countermeasures (CM-66-2555)	3,900	3,900	3,900	3,900	15,600
Not included*	Regulated Safety Upgrades at Railway Crossings (CM-66-2194) *	602	604	605	-	1,811
Total Capital Expenditure:		16,416	16,418	16,419	15,814	65,067

* this profile was not included as part of the 2019-2022 Proposed Capital Budget

2019-22 Capital Budget Questions By Question

Attachment 2: cumulative closing reserve balance is shown in the table below.

Traffic Safety and Automated Enforcement Reserve Schedule Supplementary Information (\$000)

	2017 Actual	2018 Forecast	2019 Forecast	2020 Forecast	2021 Forecast	2022 Forecast
Opening Reserve Balance	29,918	29,186	7,408	11,500	17,532	20,754
Transfers to the Reserve:						
Fines	51,264	46,000	50,750	52,690	49,880	47,290
Total Transfer to the Reserve	51,264	46,000	50,750	52,690	49,880	47,290
Funding from the reserve:						
<i>Operating</i>						
Edmonton Police Service	22,292	22,292	22,292	22,292	22,292	22,292
Traffic Safety section	13,504	14,454	16,264	16,264	16,264	16,264
Road Safety Strategy - Public Engagement (Marketing)	342	1,032	802	802	802	802
Corporate Traffic Safety Initiatives	4,400	4,400	4,400	4,400	4,400	4,400
Community Facility Partner Capital Grant Program	2,900	2,900	2,900	2,900	2,900	2,900
<i>Total Operating</i>	43,438	45,078	46,658	46,658	46,658	46,658
<i>Capital*</i>						
Traffic Signals - Pedestrian Vehicle Safety (CM-66-2520)	2,192	6,000	-	-	-	-
Traffic Safety - Speed Management Equipment (CM-66-2545)	2,339	5,800	-	-	-	-
Traffic Safety Engineering Measures (CM-66-2550)	1,895	5,400	-	-	-	-
Community Traffic Safety Countermeasures (CM-66-2555)	2,132	5,500	-	-	-	-
<i>Total Capital</i>	8,558	22,700	-	-	-	-
Total Funding from the Reserve	51,996	67,778	46,658	46,658	46,658	46,658
Annual Surplus/(Deficit)	(732)	(21,778)	4,092	6,032	3,222	632
Closing Reserve balance (Cumulative)	29,186	7,408	11,500	17,532	20,754	21,386
<i>Minimum reserve balance - 5% of revenues</i>	2,563	2,300	2,538	2,635	2,494	2,365
Available Reserve balance (Cumulative)	26,623	5,108	8,963	14,898	18,260	19,022

* 2019-2022 capital projects with funding from the reserve have been submitted as unfunded in the 2019-2022 proposed capital budget. Funding from the reserve is subject to City Council approval.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor McKeen

Question #: 19-005C

Budget Page #: 159

Administration committed to early work on an urban-style cultural/recreation centre for Oliver and its 20,000 residents. How will such work be funded?

Question Answer:

Prior to a Capital Project being established, there would need to be a broader understanding of the objectives and outcomes outlined in a Business Case. This business case would then be used to inform the development of a functional program and capital estimate for Planning & Design for this facility.

Branch: Infrastructure Planning & Design

Asked By: Councillor McKeen

Question #: 19-006C

Budget Page #: 434

The Dawson Park Master Plan is not funded in this cycle. Will there be a refresh of the plan with public engagement sometime in the four years.

Question Answer:

The Master Plan Project is in the process of being finalized and is expected to be complete early Q1 of 2019 (previously funded). Administration has no plans to update the plan or refresh it over the next four years.

Branch: Infrastructure Planning & Design

Asked By: Councillor McKeen

Question #: 19-007C

Budget Page #: 512

(512-514, #CM-66-2000, Appendix A AND 590-593, #CM-99-9000) Jasper Avenue in Oliver, from 109-114 street is funded for refurbishment and enhancement as a Main Street, which is appropriate since it is Edmonton's Main Street. Is it possible the work could be bumped off the capital agenda by LRT west?

Question Answer:

Council could choose to defer this project again (previously deferred from 2015-18). The first stage recommended for implementation was informed on the understanding that the construction could be initiated and primarily complete prior to the West Valley Line project being fully under construction. Jasper Avenue remains a high priority location for renewal having been deferred already. If the reconstruction was not initiated this budget cycle it could be in excess of 10 years since it was originally required to completely avoid overlapping construction schedules with Valley Line West.

2019-22 Capital Budget Questions By Question

Branch: Capital City Downtown CRL **Asked By:** Councillor McKeen **Question #:** 19-008C
Budget Page #: 536

Jasper Avenue in the downtown stretch is subject to the New Vision plan and funded out of the Downtown CRL. Why has only one stretch, between 100-102 streets been completed. Given the funding source, why is this project not being expedited?

Question Answer:

The section of Jasper Avenue between 100 Street and 102 Street was completed in 2013 prior to approval of the Downtown CRL. The timing of that project was driven by repairs that were required to the Central LRT station. The remaining portions of Jasper Avenue from 97th street to 109 street were included in the scope of the New Jasper Avenue Vision catalyst project. Timing of the Jasper Avenue streetscape improvements needs to be coordinated with other City projects such as the Shaw Conference Centre roof repairs and waterproofing underneath Jasper avenue. For this reason the project has been split into three phases. Phase 2 - approved 2015-2018 Capital Budget. Phase 3 - recommended for funding in the 2019-2022 Capital Budget and Future Phase 4 - 2023-2026 Capital Budget.

The following work has been completed to date:

- a) structural assessments of City-owned structures underneath Jasper Avenue, including the Shaw Conference Centre, Frank Oliver Tunnel, Bay/Enterprise Square Station, and Corona Station.*
- B) concept plan for the entire length of Jasper Avenue through Downtown and the Quarters, so that future phases of the project will share a consistent look and feel.*
- C) coordinated design of the Jasper Avenue New Vision project in Downtown with the Imagine Jasper Avenue project team.*

This approach has reduced overall project risks, including risks of cost overruns and additional disruption during construction. It has allowed for a intensive consultation process to understand the needs and operations of street users and property owners.

If the recommended budget is approved, the 2019-22 period will see construction on two segments: 97-100 Streets and 102-106 Streets. Construction is planned to occur on 106-109 street in 2023-2026. Construction from 92-97 street will be staged with major developments along Jasper avenue.

Branch: LRT Expansion & Renewal **Asked By:** Councillor McKeen **Question #:** 19-009C
Budget Page #: 572

Briefly, can you state where administration is at in regards to protecting/preserving trees along the west LRT route. I understand an inventory was done. What are the next steps.

Question Answer:

An inventory of existing trees has been completed as part of Valley Line West preliminary design update. Preliminary landscape designs and requirements are being developed and will be incorporated into the Valley Line West procurement documents. We have also been working with citizens to refine designs. Landscape designs will be shared publicly at a project information session in early 2019, ahead of the project being procured for construction.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor McKeen

Question #: 19-010C

Budget Page #: 630

Line 59. The 142 traffic circle removal and realignment is not funded. Might there be opportunities to fund from reserve or a related project.

Question Answer:

Although the location is a high accident location by frequency, the severity of the incidences are typically quite low. The reserves that are available are not financially capable of taking on this type of single large investment (\$12.1M) and would serve a better return on investment if allocated to other locations.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Hamilton

Question #: 19-011C

Budget Page #: 11

The table indicates "methodological revisions" to how MPI is calculated. How then can we use MPI to make direct comparable to previous years? Can you elaborate on those methodological revisions?

Question Answer:

The Municipal Price Index (MPI) serves to measure inflation for the City of Edmonton and reflects the mix of goods and services purchased by the City. The MPI serves as a means to measure inflation faced by the City's operating budget and is intended to help better inform the City's budgetary process of external economic conditions that the City will face. The Consumer Price Index (CPI), on the other hand, is based on a fixed basket of consumer goods and services bought by an average Canadian consumer over time and is intended to measure the price changes experienced by consumers. There can be a significant disconnect between the CPI and MPI, most notably when it comes to wages, salaries, and employee benefits which represent a significant share of the City's operating budget, and are not fully captured in the CPI.

For the 2018 MPI calculation, the weighting of each expenditure category was re-calculated based on the City's 2017 operating budget. In addition, average residential house price changes were replaced by annual residential price changes in the land only component of Statistics Canada's New Housing Price Index (NHPI) for the Edmonton Census Metropolitan Area to determine historical inflation for land costs.

When the MPI was first developed, it was recommended that expenditure category weights be updated every five years. The next update was to take place while compiling the 2019 MPI. The decision to update the weights prior to 2019 was due to a significant shift in the weighting of expenditure categories, particularly around Wages and Salaries, Grants and Board Requisition and Debt Service where weights increased, which warranted an update.

It is recommended that inflation factors be updated annually to ensure that each year's MPI calculation is congruent with the inflationary pressures facing the operating budget for that year. For the 2018 MPI, it was determined that the land only component of Statistics Canada's NHPI more appropriately captured changes in land costs as annual price changes in the existing housing market also includes the price of the house on top of the land.

Historical MPI calculations were generated using the re-calculated expenditure category weights as well as the inclusion of the NHPI. Historical rates up to 2012 can be found in the table attached.

Due to methodological revisions in the 2018 MPI calculation, results will differ when comparing the 2018 report to previously released reports, but Administration is confident in the value of the 2018-reported MPI rates as a means to inform budget development in the context of the external economic conditions facing the City. Broadly speaking, consumer-based inflation is anticipated to be higher than forecast in 2018 and 2019 as indicated through recent data. The anticipated impact to the MPI and the Police Price Index (PPI) would be a fraction of that increase based on the weighting of expenditure categories included in the calculation of both indices (12.4% for MPI and 3.2% for PPI), and is not expected to necessitate any change to budget allocations established based on current forecasts.

2019-22 Capital Budget Questions By Question

City of Edmonton Price Indices, %

	MPI*	CPI**
2012	2.70	1.10
2013	2.83	1.30
2014	2.09	2.20
2015	1.47	1.20
2016	1.48	1.10
2017	2.32	1.60
2018f	2.63	1.30
2019f	2.70	1.60
2020f	2.96	2.00
2021f	2.86	1.90
2022f	2.87	1.90

* March 2018

** City of Edmonton Spring 2018 Forecast

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Hamilton

Question #: 19-012C

Budget Page #: 15

What projects did the City apply for under the Community, Culture and Recreation Infrastructure Grant?

Question Answer:

The Community, Culture and Recreation component of the Canada/Alberta Bilateral infrastructure funding provides \$140.6 million over 10 years province-wide, of which \$21 million must be directed to off-reserve First Nations organizations. Program parameters also favour projects that will increase the quality of cultural, recreational and/or community infrastructure for Indigenous peoples and vulnerable populations. Based on the program's priorities, the limited money available, and knowing these funds are not intended for larger, transformative infrastructure investments, such as the larger scope recreation projects the City would be seeking to advance, the approach taken was to support our non-profit community partners secure funding rather than to directly compete with them for this modest pool of dollars. As such, the City has not applied for funding for any civic projects under this component. Instead, we continue to encourage and work with our community partners to leverage this funding opportunity, with our focus being on moving forward projects that already have a funding commitment from the City in place, but are on hold until additional funding from government partners is secured.

Branch: Infrastructure Planning & Design

Asked By: Councillor Hamilton

Question #: 19-013C

Budget Page #: 39

Imagine Jasper Avenue Streetscape — will this be staged? Do we have a clear sense of how this will roll out in context with the LRT construction on 104 Ave and the roadway construction on 107 ave?

Question Answer:

"Yes, the project is being planned in 3 stages. The first stage (109-114 Street) would be completed first to take advantage of as much time is available prior to West Valley Line LRT being fully under construction. The three stages are: first stage (109-114 Street), second stage (114-119 Street), third and final stage (119 -124 Street). This project was originally proposed as a high priority renewal location in the 2015-18 Capital Budget and was deferred to adopt a modified design approach (Main Streets). If this project was not approved in the 2019-22 Capital Budget and deferred to after the Valley Line West LRT was complete, it could be 10 years since originally recommended. Once Valley Line West is fully in operation, it will become more challenging to mitigate vehicle traffic impacts."

2019-22 Capital Budget Questions By Question

Branch: Edmonton Police Service

Asked By: Councillor Hamilton

Question #: 19-014C

Budget Page #: 49

How is firearms training currently being conducted? Is there an opportunity to partner with other police services to provide this training facility?

Question Answer:

Firearm training is currently being completed at the William Nixon Training Centre (WNTC) for EPS recruits and for patrol training. Carbine training, plain clothes training, Extended Range Impact Weapons training, re-integration training, and other specialized firearms training also occurs here. Distance shooting for carbines and sniper shooting for Tactical Section members occurs out of town at a private range. A firearms simulator is used for some judgmental training and simunition firearms are used for some scenario training.

The Police Headquarters indoor range re-opened in 2018 after being closed since 2014. This 8 bay range allows for lead free shooting, to assist with dim-light training for recruits and firearms qualifications. This is a static range and doesn't allow for movement or scenario based training. The EPS firearms range capacity has not increased since the indoor range was added at police headquarters in 1982.

We have approached partnering agencies however both the RCMP and Alberta Sheriffs have insufficient firearms range access to train their own membership. In recent years, we've approached both federal (RCMP) and provincial partner agencies in an attempt to develop a co-funded firearms facility. Those attempts have not been successful due to the bureaucratic processes and complexities of aligning funding and ownership at multiple levels of government. However, both the RCMP and the provincial agencies are facing similar capacity challenges and have stated they would enter into user agreements with the EPS if a facility was constructed. At present, the EPS, RCMP, and Sheriff's also compete for use of limited private ranges for specialized firearms qualifications and carbine training. In the recent past the EPS has co-hosted training opportunities with the RCMP and provincial agencies.

As of 2017, the EPS has insufficient facilities to meet with Provincial firearms guidelines that stipulate a requirement for firearms training for all sworn members. At present with our current facilities, we are able to effectively train our patrol members and recruits. We have not been able to provide training for our remaining sworn members in over 10 years (approximately 1200 of our 1800 members). This has resulted in public safety risk and risk to our non-patrol members in this present environment of increased weapon violence and major incidents.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Hamilton

Question #: 19-015C

Budget Page #: 152

Project 100005 identifies renewal of "major components" of Commonwealth Stadium, is there a more detailed list of required repairs, current state or cost estimates? Is there the potential for partner funding here ie. in the case of a successful FIFA World Cup bid

Question Answer:

Yes. A Building Condition Assessment Report was prepared for Commonwealth Stadium as a part of the Commonwealth Stadium Master plan Report. The Condition Assessment Report provided a detailed, prioritized list of renewal items along with an order of magnitude costs. These renewal items were prioritized based on immediate life safety needs, operational and system performance, and better lifecycle performance. The renewal needs currently planned in Commonwealth Stadium are necessary independent of the outcome of the FIFA event. It is unknown at this time what types of capital improvements would be considered necessary to support the FIFA event (growth), or how they may be funded with any potential partner funding. Administration is prepared to ensure that the work advances in an integrated manner in any funding scenario.

Branch: Infrastructure Planning & Design

Asked By: Councillor Hamilton

Question #: 19-016C

Budget Page #: 152

Is there a cost estimate on Project 100009, given that the building is less than a decade old?

Question Answer:

A Building Condition Assessment Report was prepared for the entire facility, which included the original facility, formerly known as the Northlands AgriCom (constructed in 1983 and comprised of four exhibit halls – Hall A, Hall B, Hall C, and Hall D – and a common marketplace area referred to as the Mall). In 2009, building expansion and renovation was undertaken to increase the facility size resulting in the addition of four modern exhibit halls – Hall E, Hall F, Hall G, Hall H – and banquet and conference rooms. A substantial section of the building has been in operation for over 33 years, many of the building's systems are reaching or exceeding their expected service life, and it is important to complete preventative renewal for these items before they fail. The renewal planned is for components predominantly within the original facility and is currently estimated to be \$29.6M (-50%/+100%).

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design **Asked By:** Councillor Hamilton **Question #:** 19-017C

Budget Page #: 158

Project 100004 identifies renewal work in Century Place, and a separate unfunded project is the densification of that same building. Will renewal work be done with this future densification project in mind? Is this renewal work necessary given plans to densify?

Question Answer:

Yes, these projects are two independent but coordinated projects (they do not require being integrated based on the scope of work). The project referenced in the question is facility renewal and focuses on the main building components; base building washroom modifications, modifications to the point of entry on each floor, data cooling centres and elevator upgrades, whereas the densification (growth) relates more to the efficient use of space and office modernization. All the base building work will be sized appropriately to consider an increase of up to 65 occupants on each floor, as opposed to the current design 45 occupants per floor. Base building electrical and mechanical systems are either at the end of their life or are very inefficient and cannot support a higher density.

Branch: Infrastructure Delivery **Asked By:** Councillor Hamilton **Question #:** 19-018C

Budget Page #: 167

Does this profile include all phases of the project or is this only to complete phase one?

Question Answer:

Profile 17-99-1022 only includes Phase 1, the work currently underway. The remaining Phases are included as part of the recommended renewal Profiles CM-12-0000 and CM-13-0000 (Pages 151-158).

Branch: Infrastructure Delivery **Asked By:** Councillor Hamilton **Question #:** 19-019C

Budget Page #: 182

The profile identifies a 30% contingency, should the project not require the full contingency how does the capital get reinvested or could it be used to fund the related profile 18-12-1101 (on page 185)?

Question Answer:

The 30% contingency reference is from the originally approved Utilities renewal profile from 2014 that informed the 2015-18 Capital Budget. The project has evolved considerably since that date and the only contingency that remains is associated exclusively with construction risks (now underway).

Contingencies are utilized throughout the duration of the project and used for unexpected and unplanned events. Contingencies are released once potential risks no longer exist and there is confidence that the contingency is no longer required. For Fort Edmonton Park, or any other project, the contingency after being confirmed is no longer required is released and typically used as an available funding source for the next highest priority through the Supplemental Capital Budget Approval process.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Transit

Asked By: Councillor Hamilton

Question #: 19-020C

Budget Page #: 225

One of the funding sources identified is "other," can you provide greater clarity as to what that is?

Question Answer:

"Other" is comprised of 50% of the DATS on-board Mobile Device Terminals (MDT) rental fee revenue and is used towards future MDT replacements. The other 50% of the MDT rental revenue is used to offset operating costs. MDT devices allow dispatchers to communicate with operators on city-owned, contractor and regional (St. Albert & Leduc) vehicles to deliver an efficient service to Edmonton's paratransit riders. The City of Edmonton charges regional and contracted service providers monthly rental fees to use the mobile device terminals.

Branch: Infrastructure Planning & Design

Asked By: Councillor Hamilton

Question #: 19-021C

Budget Page #: 272

Project 000030 identifies RIMS as being at the end of it's life cycle, though we rely heavily on the program to prioritize renewal investments throughout the Capital budget. Is the accuracy or reliability of RIMS compromised? Can you provide more information on how the renewal of RIMS works, does it change the model or simply the IT infrastructure is utilizes?

Question Answer:

The reliability and accuracy of the data provided by RIMS is not at risk of being compromised. RIMS was developed as an in-house system, not tied to changes or impacts through third party software. A better description of what is proposed is that RIMS is at a point in its maturity where we need to examine how it can be enhanced to allow more in-depth analysis. With the approval of the Infrastructure Asset Policy and its associated Infrastructure Strategy, the Integrated Infrastructure Services department will be developing new Asset Management Plans over the next fiscal period. The new data developed through the creation of these plans will be used to enhance the outputs of RIMS. As RIMS is a critical tool for the development of the City's renewal budget, the timing of any modification to RIMS is critical. Any proposed renewal or modification activities will be done through the following high-level phases: reviewing the current solution, determining its fit with the direction and technology model for the City of Edmonton, conducting a market scan of other similar-purpose solutions available today, and a review of applicable best-practices. This process will ensure that whatever the future of RIMS looks like, consistency and reliability will be maintained throughout the transition from the current state to the future state.

2019-22 Capital Budget Questions By Question

Branch: Corporate Strategy

Asked By: Councillor Hamilton

Question #: 19-022C

Budget Page #: 287

Can you provide more specifics on this profile? Almost 12 million for contractors and tech seems high. Why are the tech obsolescence replacements covered by CM-18-1515 (on page 279)? Is this the only internal department with their own separate IT profile? Is this consistent with the technology strategy? Does this Why is there no project breakdown in the profile similar to the detailed project information provided by the Edmonton Police Service in their IT profiles?

Question Answer:

The budget amount listed for the CM-17-2040 profile in the capital budget document is inaccurate and is also missing the project list. The budget office will be submitting an amendment to correct the inaccuracies. The actual total budget amount requested was \$5.436M: \$2.436M in 2019 and \$1M annually in 2020-2022. The list of projects is included in the table below.

This profile is used for the Planning and Development Business (see City Policies C557, C570, and C610) to ensure the department offers business friendly services by reducing processing time for applications and ensuring accountability to customers. This is a separate profile to provide alignment and transparency to the fiscal policy. It's included in the Planning and Development Business forecast for 2019-2022 and does not count against the tax levy.

The profile aligns with the technology strategy principles and supports attaining the desired outcomes in these areas: Enhance Citizen Experience, Transform Through Innovation, and Provide Reliable Information.

Other separate profiles for internal departments include eProcurement, Transit Smart Fare System, and Recreation and Attractions Management (RAMS) Program.

The CM-18-1515 Technology Infrastructure composite profile includes the foundational work required to manage and maintain the City's physical technology infrastructure. Maintenance activities include replacing end-of-life or obsolete technology - to reduce the risk of failure, the cost of maintenance, and to minimize the risk of extended service interruptions. Technology infrastructure includes all the physical hardware and related software used to support and connect computers and users. Advances in computing technology continue to occur at an extremely rapid pace. Maintaining infrastructure to vendor-supported levels will ensure that the City has current infrastructure in place that is robust and reliable. Not replacing outdated, obsolete technology infrastructure components in a timely manner places them at risk of failure, which can disrupt City services and lead to additional recovery costs.

2019-22 Capital Budget Questions By Question

Project Number	Project Name	Start Date	End Date	Description
1	eServices Stream 4	1/1/2019	12/31/2019	Strategic technology enhancements identified through digital transformation roadmap.
2	Urban Form Business Transformation technology enablers	1/1/2019	12/31/2019	Enablers to support transformational process improvements, customer experience, and staff productivity.
3	Digital services	4/1/2019	12/31/2022	Digital service expansion, support, and refinement.
4	Service transformation	1/1/2020	12/31/2022	Assessment, design, and implementation of improvement and innovation initiatives to provide enhanced service, expand integration and extend to external stakeholders. Improve the customer's journey across services and systems. Integrate and align channels of service delivery.
5	Maintain technology enablers	1/1/2020	12/31/2022	Maintain technology enablers to support regular business changes and growth of digital services.

2019-22 Capital Budget Questions By Question

Branch: Parks & Roads Services

Asked By: Councillor Hamilton

Question #: 19-023C

Budget Page #: 449

The profile background notes 'Shrubs and trees on boulevards are subject to significant salt and vehicle damage as roads are maintained.' Has there been consideration given to the increased use of Calcium Chloride in the Snow and Ice policy?

Question Answer:

Yes, the Anti-icing Pilot involves monitoring the effects of traditional road salt, as well as calcium chloride brine, on the environment and infrastructure. Forestry regularly monitors the health and growth of trees on boulevards and in parks, and assesses them on a four-year cycle. Trees, grass and shrubs are impacted by sand application as well as salt in our Snow and Ice program. New areas that are not as well established are more susceptible to damage and are monitored on a yearly basis.

In the last two years, changes to the landscape standards have been made. These include requiring a wider concrete verge in centre medians to protect plant material (such as shrubs) from snow piling, sand and salt. Administration will continue to monitor the health of trees and shrubs in the long term and adjust operational practices and/or landscape standards as needed to optimize the health of the landscape and road safety

2019-22 Capital Budget Questions By Question

Branch: City Planning

Asked By: Councillor Hamilton

Question #: 19-024C

Budget Page #: 453

The scope of this profile is unclear, the justification mentions that "the plan will identify investments, actions and governance models" yet the conclusion and recommendation states that this funding will "provide administration the ability to begin implementation of the River Crossing Business Plan." Is the funding for the development of a business case or for design and construction of improvements? Which checkpoint is this project on at in the PDDM and where do we anticipate this funding will bring the project to in the model?

Question Answer:

The funding for the River Crossing Business Case was previously approved through an operating budget service package. The Business Case currently being developed will outline an implementation plan in support of a revised development concept for the River Crossing area. This Business Case is to be advanced for City Council's consideration in Q1, 2019.

Profile 19-17-0601 requests funding to implement the River Crossing Business Case, which will include the design and construction of roads, parks and public realm elements in alignment with a revised development concept for the River Crossing area. The source of funding for this profile is Land Enterprise Retained Earnings that were accrued from the sale of City owned land within West Rosedale to the Province of Alberta (see Report CR_3857, Sale of Land in West Rosedale approved by Council October 11, 2016).

This project is currently in the strategy stage (level zero). An approved Business Case and Development Concept will inform how funding in the profile will be allocated. However, funding will advance some elements of the business case and development concept to different points in the PDDM ranging from design to construction/development of some small scale improvements. In this way the profile will function as a composite profile. As specific aspects advance through the PDDM checkpoints, Administration will ensure the vision, budget, and scope of the business case are maintained. Administration will return to Council for further direction or approval of changes at the appropriate PDDM checkpoints as required.

It is anticipated that West Rosedale Redevelopment will be a multi-year development project that is phased in anticipation of market demand and community needs. Some aspects may continue to be in the design phase, while others advance to construction in order to integrate with other renewal work such as arterial road or neighbourhood renewal.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Hamilton

Question #: 19-025C

Budget Page #: 593

Project 100005 notes that this funding is for "minor high priority improvements only." Can you provide a list of these improvements? Is Callingwood park considered a high priority?

Question Answer:

Dogs and Open Spaces program is a composite profile that includes a variety of locations as identified in the Dogs in Open Spaces - Implementation Plan (CR_3560). The 5% recommended for funding includes both the development and implementation of minor improvements at a select number of existing off-leash areas (to be determined based on available funding). These improvements would consist of amenities such as: waste containers, dog waste bags, off-leash area signage (off-leash boundaries and etiquette), landscaping including for boundary delineation, and drainage/erosion control.

Callingwood District Park off-leash area has been identified as a neighborhood level off-leash area requiring enhancements, based on minimum required setbacks from incompatible uses (ex. schools, playgrounds, sports fields, etc.). Off-leash site boundaries at Callingwood District Park off-leash area is recommended to be delineated by soft (landscaping) or hard (permanent fencing) edges. At proposed funding levels, Callingwood District Park is not recommended for funding.

Branch: Blatchford Redevelopment

Asked By: Councillor Hamilton

Question #: 19-026C

Budget Page #: 594

"Net profit forecasted for Blatchford" - remind me when it is forecasted to be operating in the black.

Question Answer:

The current estimate for timing for the Blatchford Redevelopment to be favourable is 2028. As with any land development program this is dependent on the market and timing of sales. We are continually monitoring the market and adjusting our plan to ensure that we have product available to optimize our sales and achieve our revenue targets.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Delivery

Asked By: Councillor Hamilton

Question #: 19-027C

Budget Page #: 614

Can you expand some more on why you budgeting \$55M for contingency on Lewis Farms? Is this a generous or conservative amount for contingency? And are there checkpoints during construction where contingency funds might be reallocated?

Question Answer:

The project analysis has identified potentially \$53 million in risk (contingency) for the full project. This is an appropriate level of contingency for based on the amount of design completed. The recommended strategy is to request all contingency funds and release those funds associated with risks that do not materialize or are mitigated, thereby preventing additional delays in requesting required funds at a later date and incurring additional contractor costs. As this is proposed as a potential debt funded project, any unused contingency would materialize as debt that would not be taken on. The risks are categorized into things such as: Approvals and agreements; Site Development; Construction; Design and Operational. Some are specific to a single phase of work (e.g. Site Development), but most span across multiple phases.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Delivery

Asked By: Councillor Hamilton

Question #: 19-028C

Budget Page #: 625

There has been some utility relocations for phase one of this project, should phase two not be funded what are the operational implications to the Zoo? To what extent could the Valley Zoo development Society contribute partnership dollars to this project? Does the delay of this project affect other zoo upgrades, such as the parking lot project with significant partnership dollars behind it? How does this project align with the master plan for the facility?

Question Answer:

There has been some utility relocations for phase one of this project, should phase two not be funded what are the operational implications to the Zoo?

Nature's Wild Backyard Phase 2 completes the utility expansion work that began with Phase 1 of the Zoo Master Plan. The phasing approach to Nature's Wild Backyard was developed with the understanding that both Phase 1 and Phase 2 would be funded sequentially. With that understanding, the design approach for the utilities as completed with Phase 1 will leave the Zoo operating on a mix of new, temporary, and old installations. This condition would continue until Phase 2 is funded. If Phase 2 was not funded, Administration would investigate alternatives and implications of the utilities (approximately \$6M) advancing independently of the complete scope of work for Phase 2 (approximately \$40M). The water and drainage services remaining are functioning, however the temporary nature of this work is not considered to be ideal to support ongoing operations in short term.

To what extent could the Valley Zoo Development Society contribute partnership dollars to this project?

The Valley Zoo Development Society has confirmed a commitment of \$6,000,000 to future Zoo development. This is in addition to the \$3,000,000 that the Society had contributed to the construction of Phase 1. The Society has previously provided \$600,000 towards the design of Nature's Wild Backyard Phase 2 and already has a further \$700,000 in community pledges for Phase 2 development. The Society has applied under the Federal Community Culture and Recreation Infrastructure grant program for this project although no funding decision has been made.

The delay of the Phase 2 project would jeopardize the \$700,000 in community pledges which are already committed to this Phase 2 as well as the pledges for and volunteer carving completed on the updated 1959 carousel.

Does the delay of this project affect other zoo upgrades, such as the parking lot project with significant partnership dollars behind it?

Yes, the parking lot work is not recommended to move forward until Phase 2 is complete. This sequencing plan is required to ensure access for construction and staging for a laydown area for Phase 2 prior to improvements are made to the parking lot. If the parking lot was completed prior to the Nature's Wild Backyard Phase 2 then the risk will exist to repair any damage to the parking lot as a result.

The Valley Zoo Development Society is working on partnerships and funding for both Phase 2 Nature's Wild Backyard and the Green Parking Lot. For the Green Parking Lot they currently have corporate partners indicating interest and have applied for the Federal Green Infrastructure Project grant.

How does this project align with the master plan for the facility?

Nature's Wild Backyard is a key component of the Zoo Master Plan approved by City Council in 2005 and is one of the "Dozen Easy Steps towards a Great Community Zoo" suggested as a phased approach to the

2019-22 Capital Budget Questions By Question

redevelopment of the existing zoo. Results of guest intercept surveys in 2016 indicated that 91% of guests support the continued revitalization of the zoo.

Branch: Infrastructure Planning & Design

Asked By: Councillor Hamilton

Question #: 19-029C

Budget Page #: 628

Line 6, FIFA requirements is unfunded. Should the bid we participated in be successful are we obliged to make these improvements? Can they be combined with the work identified in CM-12-0000 (on page 149)? What is the dollar amount of this project so we can be prepared if it requires funding in a supplementary budget adjustment?

Question Answer:

If Edmonton is selected as one of the host cities, the City will be expected to meet the FIFA requirements outlined in the Host City Agreement. As part of the bid process to secure provincial funding, a Business Case will be completed by March 2019, which will define the hosting, operating and capital plans and high-level cost estimates. The business case will provide the strategic approach to achieving the FIFA requirements through permanent infrastructure as part of the legacy and through temporary infrastructure (overlay). The business case will inform our ask to the Province of Alberta for their support of our bid. We do anticipate that as part of that ask capital may well be a component as we believe there are opportunities to extend the legacy of the 1978 Commonwealth Games by ensuring that Commonwealth Stadium continues to serve Edmontonians and Albertans. The work identified for Commonwealth Stadium in CM-12-0000 is focused on the renewal of the facility (mechanical, electrical, and structural repairs) and independent of the growth requirements that would emerge as part of Host City Agreement. A separate profile will be required to address the enhancements required to meet the commitment. The host city requirements will also include other infrastructure for training venues and a FanFest. The ideal scenario would be to advance both the renewal and growth components in an integrated manner for construction efficiencies as well as mitigating any potential operating or programming impacts at the facility. Once the business case is completed in March 2019, the scope of the capital requirements will be better understood and a supplemental capital budget adjustment can be reviewed for Council's consideration. The business case will provide more detailed information to support Council in making an informed decision in the next 18 months on Edmonton's position as a candidate host city.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Transit

Asked By: Councillor Hamilton

Question #: 19-030C

Budget Page #: 630

Line 43, Touch Screen Information System. What is the total cost of this? Was it not included in the project agreement with the consortium? Is there an opportunity for a private sponsorship to fund these?

Question Answer:

TOUCH SCREEN INFORMATION SYSTEM- TOTAL COST

The total cost of the Capital Profile is \$1.1 million. The upgraded systems that would be funded through this Capital Profile would change the panel design to incorporate modern technology at Valley Line LRT stations and create future revenue generating opportunities related to advertising. The upgraded system takes advantage of technological advancements to improve customer experience, including digital options that were not available when the project was first initiated. The Touch Screen Information Systems are in line with transit industry standards and will provide an enhanced customer experience. These systems are more dynamic, include real-time trip planning capabilities, and incorporate digital advertising components that present advertising revenue opportunities for Transit.

PROJECT AGREEMENT

In terms of the project agreement, static panels were included - similar to what is in place at current LRT stations and bus terminals.

PRIVATE SPONSORSHIP

In terms of sponsorship, there are contractual arrangements in place for advertising activities in ETS; exploring any sponsorship opportunities in this area would need to be carefully reviewed in relation to these contracts.

Branch: Infrastructure Planning & Design

Asked By: Councillor Hamilton

Question #: 19-031C

Budget Page #: 631

Line 73, complete streets. What is the dollar ask of this project? This seems like an important project that aligns quite well with Council's strategic goals, why would we not pursue funding to implement complete streets for City projects? What work is being done to ensure these design goals and principles are incorporated into City Projects if this project is not funded?

Question Answer:

Administration has adopted and implemented a complete streets design approach for all roadway projects. For growth projects, all complete streets elements would be included in the overall capital funding request. For renewal projects, the funding allocations do allow for growth elements for up to 10% of the estimated value of project including complete streets elements within the renewal profiles (any work that increases replacement value or increases asset quantity is growth). In essence, this profile is no longer required, and the funding is incorporated directly into the project profiles.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Knack

Question #: 19-032C

Budget Page #:

How will the new USMCA agreement impact the cost of new infrastructure construction? If the tariffs on steel or aluminum are not lifted, what cost impact could that have on future capital projects?

Question Answer:

Many of the projects recommended for funding in this budget are at varying levels of maturity. Depending on the stage of project maturity the cost estimates include a confidence range varying from an initial -50%/+100% (Checkpoint 1) to -20%/+30% (Checkpoint 3) when a standalone project is created for budget approval. This range of estimate takes into consideration various risks associated with external factors that may impact cost of labour and materials due to potential changes in market conditions.

As Canada is a net exporter of both steel and aluminum the impact of countervailing Canadian tariffs on commodity prices should be limited. However there may be selected steel and aluminum products that are currently sourced only from the United States which would be subject to higher tariffs. As well costs for manufactured items sourced in the US such as transit equipment could be affected. However the overall impact in the near term should be limited. Longer term the ratification of the final proposed trade agreement between Canada, the US and Mexico is expected to include an exemption from the steel and aluminum tariffs for both Canada and Mexico. So any impact would be constrained to the remainder of 2018 and the first half of 2019.

2019-22 Capital Budget Questions By Question

Branch: Corporate Accounting

Asked By: Councillor Knack

Question #: 19-033C

Budget Page #:

Please provide a breakdown of the ACFA borrowing rates for 20 and 25 year loans over the last 10 years? What is the projected rate for 2023? How much does it cost under current rates to debt service \$100 million and using the project rate, what will the future cost for \$100 million in 2023?

Question Answer:

The average 20 year ACFA borrowing rate was 4.60% in 2008. The most recent 20 year rate the City borrowed at in 2018 was 3.21%. Using a conservative growth estimate of 0.25% per year, Administration has used an estimated rate of 4.39% to forecast potential debentures in 2023.

The average 25 year ACFA borrowing rate was 4.69% in 2008. The most recent 25 year rate the City borrowed at in 2018 was 3.25%. Using a conservative growth estimate of 0.25% per year, Administration has used an estimated rate of 4.46% to forecast potential debentures in 2023.

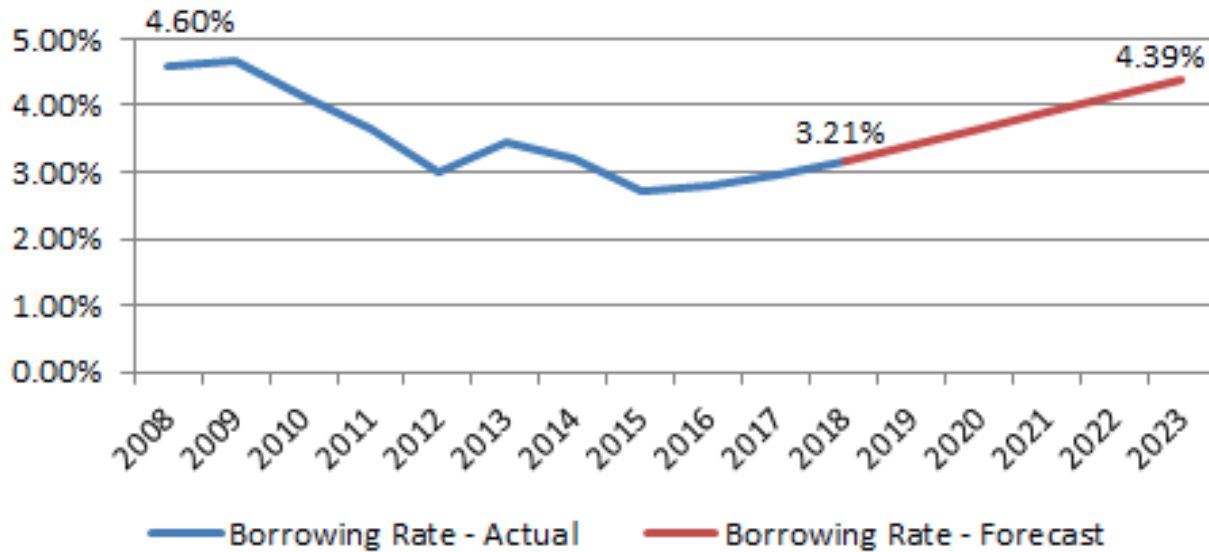
*The history of ACFA borrowing rates is available at the following link:
<https://acfa.gov.ab.ca/loans/ACFA-Historical-Indicative-Interest-Rates.pdf>:*

Attachment 1 provides a complete breakdown of actual and forecast rates between 2008 and 2023.

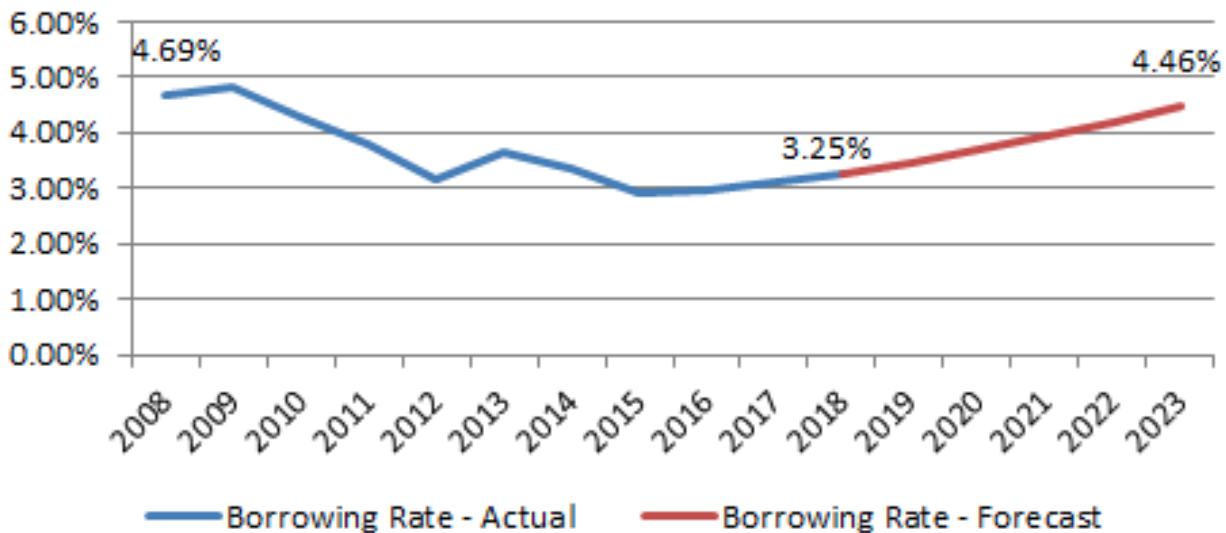
Attachment 2 is a table that provides a breakdown of the annual debt servicing cost and the total interest paid over the life of the debenture for \$100,000,000 borrowed in 2018 and estimated for in 2023.

2019-22 Capital Budget Questions By Question

Borrowing Rates on 20 Year Term Debentures



Borrowing Rates on 25 Year Term Debentures



2019-22 Capital Budget Questions By Question

	20 Year Debenture	
	2018	2023 (Estimate)
Year Borrowed		
Debenture Amount	100,000,000	100,000,000
Borrowing Rate	3.21%	4.39%
Annual Debt Servicing Cost	6,813,632	7,563,480
Total Interest Paid over 20 years	36,272,647	51,269,594

	25 Year Debenture	
	2018	2023 (Estimate)
Year Borrowed		
Debenture Amount	100,000,000	100,000,000
Borrowing Rate	3.25%	4.46%
Annual Debt Servicing Cost	5,871,446	6,676,218
Total Interest Paid over 25 years	46,786,154	66,905,448

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Delivery

Asked By: Councillor Knack

Question #: 19-034C

Budget Page #:

Please provide a comparison of the cost of Lewis Farms Recreation Centre, compared to Clareview Recreation Centre (including the library and Catholic High School), taking the cost of inflation and external factors (ex: tariffs) into consideration.

Question Answer:

The Clareview Recreation Centre Building was tendered in 2011 and completed in 2015 at an approximate cost of \$94M (2011 dollars). The Clareview project included a significant rehabilitation to the existing twin-arena, not included in this value. The current estimate for Lewis Farms Recreation Centre (Building only) is \$207.6M which includes the appropriate risk contingency. To effectively compare the costs of Lewis Farms and Clareview, we have provided a square meter unit cost for each facility. The unit cost for Meadows has been included as a 100% new build comparator. All costs have been escalated to 2018 dollars. These costs are for the Lewis Farms Recreation Centre Building (incl. Library and Academic Centre) and do not include area development costs, the District Park development, plus the contingency related to these items. The Lewis Farms facility has a number of design features such as a separate 53m lane pool and a deep dive tank that contribute to its larger size. Executive Committee, at their meeting on December 5, 2016, recommended that these specific pool features be incorporated into the design.

2019-22 Capital Budget Questions By Question

Rec Centres	Building Cost* (millions)	Square Metre	Cost per Square Metre
<i>Clareview</i>	<i>\$112.2</i>	<i>23,929</i>	<i>\$4,690</i>
<i>Meadows</i>	<i>\$112.1</i>	<i>23,356</i>	<i>\$4,746</i>
<i>Lewis Farms</i>	<i>\$207.6</i>	<i>42,370</i>	<i>\$4,814</i>

* escalated to 2018 dollars

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Knack

Question #: 19-035C

Budget Page #:

How many new - not including previously funded - road widening projects outside the Henday are included in the Capital Budget? This information is to include a breakdown of projects slated for funding in the planning/design phase as well as construction phase. What are the top 10 unfunded locations outside the Henday that would be next up for road widening?

What are the current traffic volumes on those roads?

What are the projected traffic volumes (2023) on those roads?

What is the operating performance of those roads now and what is it projected to be if no widening occurs in the next 5 years?

Question Answer:

As part of this capital budget, the only recommended road widening project is for Planning and Design (to checkpoint 3) for Whitemud Drive from 207 Street to 231 Street. As part of the overall Corporate Prioritization Process that was used to inform growth funding priorities, road widening projects were not considered to provide a significant contribution to Council Priorities (Healthy City, Urban Places, Regional Prosperity, and Climate Resilience) as compared to other priority projects. Generally speaking, most arterial widening projects outside Anthony Henday Drive are included (either 2 or 4 lanes) within the Arterial Roads for Assessment Bylaw and the responsibility is the land developers.

2019-22 Capital Budget Questions By Question

Branch: Land Enterprise

Asked By: Councillor Knack

Question #: 19-036C

Budget Page #:

What is the total value of our current land holdings? Please provide a breakdown of the land holdings and their values.

Question Answer:

The consolidated book value of Land as of October 31, 2018 is \$1.75B which is comprised of the actuals outlined in Attachment 1.

Land values presented are book cost and are reported on the Corporate balance sheet and within the Audited Financial Statements. They are not a reflection of market value. Further information relative to the value of City land holdings will be brought forward in CR_5328rev in Q1 2019.

**Land for resale includes land costs and the costs incurred to date to improve land for the purposes of sale.*

Land in use:	\$ 1,392M
Other land in use	\$ 1,367M
Exhibition Lands	\$ 24M
Rossdale	\$ 1M
Land for future municipal purposes	\$ 44M
Land for resale*:	\$ 313M
Blatchford Redevelopment	\$ 148M
Enterprise Land Development	\$ 135M
Surplus	\$ 29M
Rossdale	\$ 1M

2019-22 Capital Budget Questions By Question

Branch: Community & Recreation
Facilities

Asked By: Councillor Knack

Question #: 19-037C

Budget Page #: 102

Is the City receiving any trade-in value from the equipment after it is replaced? The profile indicates equipment needs to last more than 1 year. Should the minimum standard for life span be greater? Why is that our current minimum standard?

Question Answer:

Trade-in value is generally not received when new equipment is purchased. The City follows the corporate procurement procedure for disposal of surplus assets. The net disposal proceeds are received in department revenue. The capital profile indicates that the benefits of equipment purchased must extend beyond 1 year to qualify as a capital asset. The Equipment Replacement capital profile includes fitness equipment, facility operating equipment, furniture and signage with an average useful life of 10 years.

Branch: Edmonton Transit

Asked By: Councillor Knack

Question #: 19-038C

Budget Page #: 223

For the Bus Equipment Renewal profile, how does the Automatic Passenger Counter differ from the Smart Bus technology?

Question Answer:

This capital profile will replace the End-of-Life Automatic Passenger Counter (APC) sensors on the buses and ensure the system is kept in a state of good repair. Older sensors may experience frequent breakdowns resulting in additional staffing/repair costs in the long term, as well as data quality issues.

The APC technology is a subsystem of the Smart Bus Technology that enables passenger counts. These APCs are currently outfitted on approximately 30% of the transit fleet, and are used to generate ridership counts for analytical purposes. The APC hardware was in use prior to the Smart Bus Technology project. Once Smart Bus was implemented, the APC hardware was integrated to work with Smart Bus and other Transit analytics tools to validate and reconcile ridership data. The information supports service planning and related transit decision-making that enhances the customer experience.

2019-22 Capital Budget Questions By Question

Branch: Fleet & Facilities Services **Asked By:** Councillor Knack **Question #:** 19-039C
Budget Page #: 236

Besides the number of solutions currently being used, what are the differences between the current solutions and the single solution we are exploring?

Question Answer:

The primary difference between available GPS systems and the one that the City is implementing is that it will be a comprehensive single system comprised of both GPS for location and telematics for capturing vehicle and driver data. This system will enhance driver and citizen safety as well as increase efficiency across the municipal fleet.

This profile was approved in the previous budget cycle for a two year project with completion in early 2019. The project started in 2018 and is currently installed on 55% of the applicable municipal units. The GPS Telematics system will be installed on 2,000 municipal fleet units by the end of the project.

The benefits of this system include:

- Reduced fuel costs (\$1m over 2018 - 2022) due to routing and reduced idling*
- Modernization of the fleet with a state of the art GPS solution*
- Technology rationalization eliminating multiple legacy GPS solutions*
- Productivity improvement through process standardization and asset and route optimization*
- Fact based decision making and an enabler to performance measurement goals*
- Enhancing employee and citizen safety by transforming driving habits*
- Driver scorecard for speeding, harsh braking, harsh acceleration and idling*

2019-22 Capital Budget Questions By Question

Branch: Fleet & Facilities Services **Asked By:** Councillor Knack

Question #: 19-040C

Budget Page #: 243

Is there a breakdown of the 2019-2022 expenses? The report only seems to list the 2015-2018 expenses previously approved.

Question Answer:

The Vehicle and Equipment Replacement Profile is fully funded from the Fleet Services Replacement Reserve that is collected through an annual calculated contribution based on useful life and replacement value for each piece of equipment. The request to reduce the capital profile would not result in any savings as the funds in the replacement reserve are specifically dedicated to the replacement of vehicles and equipment as per policy.

The detailed breakdown by category and branch budgeted amount for 2019-2022 using Replacement Reserve funding is as follows:

Figure 1: Yearly Breakdown of Cost per Asset Type

Funding Source: Replacement Reserve							
Asset Type	No. Units	Avg \$/Unit	Total	2019	2020	2021	2022
Cars	23	44,769	\$1,029,695	\$750,558	\$111,501	-	\$167,636
Light Trucks Vans/ SUVs	364	62,564	\$22,773,322	\$5,877,424	\$8,477,517	\$4,869,232	\$3,549,149
Heavy Trucks	111	335,043	\$37,189,808	\$8,928,080	\$10,207,895	\$8,843,172	\$9,210,661
Equipment	404	71,812	\$29,011,901	\$10,290,396	\$8,697,322	\$5,025,144	\$4,999,038
Trailers	67	47,895	\$3,208,952	\$1,379,660	\$904,495	\$243,861	\$680,937
Attachments	5	26,442	\$132,210	\$117,210	-	\$15,000	-
Write offs etc			\$633,948				
TOTALS	974		\$93,979,836	\$27,343,329	\$28,398,729	\$18,996,410	\$18,607,421

2019-22 Capital Budget Questions By Question

Branch: Real Estate

Asked By: Councillor Knack

Question #: 19-041C

Budget Page #: 350

What is our projected revenue from the suburban land that the City is developing? What is the projected timeline to recover our costs?

Question Answer:

Enterprise Land Development (ELD) is projecting \$52.5 million in gross revenue (\$9 million in net revenue) from suburban residential lot sales and \$22.7 million in gross revenue (\$6.3 million in net revenue) from suburban industrial and commercial lot sales. Other revenues projected in ELD's Pro-forma Income Statement are from sales of non-suburban lots.

In terms of costs, a phase of a land development project usually takes 4 to 5 years to complete. This includes advancing the phase from initial planning and engineering stages to lot sales. Costs are recovered from the revenue generated from lot sales. Typically, minor costs are incurred in the first and second year as the phase advances through the planning and engineering stages. The majority of the capital investment occurs in years three and four when fees and assessments are paid and construction costs are incurred. The revenue (and profit) is generated through lot sales, which usually occur in years four and five. As subsequent phases of an area are developed, additional revenue from recoveries associated with upfront servicing costs may also flow back to the prior phase for several years. Typically, phases are profitable without these additional recoveries.

Branch: Building Great
Neighbourhoods

Asked By: Councillor Knack

Question #: 19-042C

Budget Page #: 394

What Industrial Roads are included in this composite?

Question Answer:

The Industrial Roads area of this composite is intended for Planning and Design of improvements to road infrastructure within industrial neighbourhoods. No specific locations have been identified at this time and with the current \$1 million identified for this funding it would only allow for design of select segments similar in scale to the Winterburn pilot.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Knack

Question #: 19-043C

Budget Page #: 486

[Capital Profile CM-22-0000 (Page 486), (Unfunded Line Item 62 - Page 630)]

How much does the Arterial Rural Roadway Pavement Renewal for 184th Street cost? What is the approximate cost to reach completion of Checkpoint 3 for road widening along the same stretch?

Question Answer:

184 Street (from 107-114 Avenue) exists as a 3-lane rural cross-section arterial road. The renewal project is currently at PDDM checkpoint 1 and the current estimate is \$1.9 million (-50%/+100%). The scope of work includes full-depth reclamation of the existing pavement structure with minor shoulder and ditch/drainage improvements but retains the overall roadway cross section (no widening). The 184 Street Urbanization and Widening project is currently unfunded at PDDM checkpoint 2. The current cost estimate to complete the incremental growth scope of work to checkpoint 5 is \$12.1 million (-30%/+50%).

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Knack

Question #: 19-044C

Budget Page #: 499

[Capital Profile CM-20-2020, Page 499, Lines 63 and 64 - Page 631]

What is the cost of the Whitemud Drive design? Is this project dependent on the Province at all?

What is their role in this project?

Has the Province provided any timeline for their portion of the work?

What is the projected cost of the planning work for Winterburn Road Widening from Whitemud to Yellowhead ?

Question Answer:

Administration has been in discussions with Alberta Transportation regarding their plans for the future realignment of Highway 628 (Whitemud Drive) west of the City limits to Highway 60. The project is not currently in Alberta Transportation's three year funded capital program. Construction along the ultimate alignment of Whitemud Drive within City limits will require land acquisition, in addition to roadway construction.

Preliminary design of Whitemud Drive widening to four lanes from 207 Street (Lewis Estates Boulevard/Guardian Road) to 215 Street is currently funded and underway to Checkpoint 3.

Preliminary design of the first stage (2 lanes) of the ultimate Whitemud Drive alignment between 215 Street and 231 Street to Checkpoint 3 is unfunded and estimated at \$2.0M. This planning and design work is included in the recommended funding with the 2019-22 Capital Budget.

Preliminary design to Checkpoint 3 of Winterburn Road (215 Street) from Whitemud Drive to Stony Plain Road, including interim upgrades to the Stony Plain Road interchange, is estimated at \$2.0M.

Preliminary design to Checkpoint 3 of Winterburn Road between Stony Plain Road and Yellowhead Trail is estimated at \$1.5M. Widening of Winterburn Road between Stony Plain Road and 113 Avenue is a developer responsibility under the Arterial Roadway Assessments Bylaw 14380. Significant land acquisition and utility relocation and railway coordination would be required to complete this work.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Delivery

Asked By: Councillor Paquette

Question #: 19-045C

Budget Page #: 182

Is Fort Edmonton Park currently operating at a profit or loss?

If profile 15-21-6973 is approved, what is the anticipated return on investment?

Could this profile be scaled back to focus on key components without compromising efficiencies?

Question Answer:

Fort Edmonton Park Management Company receives municipal tax levy funding of approximately \$4.2 million per year to support operating expenses in excess of revenues. Additionally, the City of Edmonton is responsible for maintaining the facilities and artifacts in the Park. This profile includes various projects primarily comprised of the following;

- 1) Utilities Renewal (\$70.7 million City Funded), and*
- 2) Facility Enhancements which includes elements such as the Indigenous People's Experience, Midway Exhibition, Front Entry Building, etc. (\$88.4 million in dedicated grants from Province/Federal government and fundraising committee of the Fort Edmonton Foundation). The Project Team has developed a construction phasing plan based on an optimized operational model for two operating seasons. The construction activities in 2019, and 2020 will be significantly increased during the optimized operational period. Any funding adjustments to committed construction could have cost and schedule impacts and would impact the operations of Fort Edmonton Park.*

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Delivery

Asked By: Councillor Paquette

Question #: 19-046C

Budget Page #: 625

Is Edmonton Valley Zoo operating at a profit or loss?

If profile 19-12-9007 is approved, what is the anticipated return on investment?

Could this profile be scaled back to focus on key components without compromising efficiencies?

Question Answer:

1) *Is Edmonton Valley Zoo operating at a profit or loss?*

Edmonton Valley Zoo relies on tax levy funding of \$4.066 m to support operating expenses in excess of revenues. This does not include funds raised or donations received by the Valley Zoo Development Society for capital projects, animal enrichment, and conservation activities.

2) *If profile 19-12-9007 is approved, what is the anticipated return on investment?*

As envisioned in the Zoo Master Plan establishing a consistent plan for renewing the zoo has allowed the zoo to improve all aspects of financial performance. The master plan anticipated that building a balance of animal habitats and visitor amenities would optimize attendance, revenue, and guest satisfaction. This has proven to be the case as attendance has increased by approximately 80% since redevelopment began, revenue has increased by 49%, and guest satisfaction has increased to 96%. Donations to the Valley Zoo Development Society have also risen significantly over this same period. A further return on investment is captured through the growth of the Zoo's environmental leadership through conservation initiatives. The final aspect of the Zoo's financial performance is the impact on the community. Edmonton Valley Zoo has become the second most visited destination for Edmonton families.

Across North America, zoos and aquariums are the most visited type of public institutions; are community leaders in local, regional, and world conservation; and are reality-based recreation and education resources for their communities.

3) *Could this profile be scaled back to focus on key components without compromising efficiencies?*

A value engineering exercise was incorporated throughout the design process including at the schematic and detailed design phases and considered both scope and sequencing. The consultant team is confident that they have explored efficiencies fully and that there are no further value engineering opportunities within the design of Nature's Wild Backyard Phase 2. An option could be to phase the construction; however, the end result of phasing, while spreading the cash flow over 4 years or longer, creates a more interruptive customer experience.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Paquette

Question #: 19-047C

Budget Page #: 4

Exactly what critical growth pressures is the city facing? (Is it: population, higher demand for services per capita, outer suburban growth, other?)

Question Answer:

The most significant growth pressure the City will face over the next four years will be population growth. The City's population in 2018 is estimated at 972,000 (the most recent census count was in 2016 at 932,500). By 2022, the City's population is forecast to be 1,049,000 (from spring 2018 City forecast). The addition of these 77,000 people will place additional demand pressures on City infrastructure, facilities and services. This will mean: more cars on the road; more goods-moving vehicles on arterial roadways; more demand for transit service, recreation facilities, and other citizen-focused City services; and more pressures on policing, among others.

This population forecast is driven by two components: natural births and net in-migration. There are downside risks to the population forecast that, if realized, could lower the net in-migration numbers. If the economy remains sluggish into the medium term, or if there are significant reductions to Provincial Government employment in Edmonton due to Provincial expenditure reductions, net in-migration could lower significantly or even become negative, implying more people are moving out than moving into the city. This would cause the population forecast to be lower than what's currently projected.

Branch: Community & Recreation
Facilities

Asked By: Councillor Paquette

Question #: 19-048C

Budget Page #:

Are we subsidizing golf courses or are they revenue generators? (Victoria Park)

Question Answer:

Historically golf courses have been revenue generators and have not required a subsidy. Golf courses averaged approximately 112% operating cost recovery which is a net revenue surplus of 12%. Total cost recovery, including building maintenance is 99.4% which is a net operating subsidy of 0.6%. In 2016 significant rehabilitation was undertaken at Rundle Golf Course which impacted total cost recovery. There has been a decline in attendance at the golf courses since 2015 due to inclement weather, resulting in an increase in the subsidy amount.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Paquette

Question #: 19-049C

Budget Page #:

Is there potential to look at building material and design adjustments to reduce the cost of the new rec centres? What could that look like? Are they currently slated to be "over-built"?

Question Answer:

The recreation centre exterior and interior materials are carefully chosen to provide durability, aesthetics, constructability and functionality to develop quality facilities that meet the needs of our citizen programs and create fewer maintenance costs and operational impacts over the lifespan of the building in alignment with our Infrastructure Asset Management Policy. Any design adjustments made to significantly reduce the cost related to the finishing details of new recreation centres would require a careful assessment of impacts related to durability, quality, and ability to meet community need and/or create an increase in potential long-term operating or capital costs.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Police Service

Asked By: Councillor Paquette

Question #: 19-050C

Budget Page #: 250

In profile CM-60-1765 for EPS vehicle replacement- how old are existing vehicles? Why is the previous amount of a little over 2 million per year no longer sufficient with the request now 6-7 million per year?

Question Answer:

See table

Following is a listing of 830 EPS vehicles by age regardless of vehicle type (marked, unmarked, specialty):

AGE	#	AGE	#
1 year	70	6 year	46
2 year	138	7 year	80
3 year	102	8 year	81
4 year	99	9 year	27
5 year	102	10 year and older*	85

* Older vehicles include EPS historic vehicles and vehicles with low mileage that provide operational value.

The EPS replaces 75-90 vehicles per year and the vehicle types have various lifecycles as follows:

AREA	KM	AGE (years)
Canine / Duty Officer	160,000	4
Tactical	160,000	5
Patrol	160,000	6
General Purpose	160,000	10
Specialty*	N/A	Various

* Specialty vehicles include motorcycles, watercraft, mobile command post, CheckStop, and other vehicles that have a varied range in size and price.

The EPS vehicle replacement is funded from EPS pay as you go operating budget with an annual base budget (approximately \$5.0 million) and each year it is supplemented via the supplemental capital budget adjustment process (approximately \$2.0 million) for a total of approximately \$7.0 million per year. Following is the actual spend for vehicle replacement from 2015 to 2018:

- 2015 - \$6.178 million
- 2016 - \$6.277 million
- 2017 - \$6.972 million
- 2018 - \$7.736 million (projected)

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Paquette

Question #: 19-051C

Budget Page #: 13

What is the 2023 and beyond debt and revenue projection based on?

Question Answer:

The amounts of projected funding and debt for 2023 and beyond shown on page 13 of the Capital Budget are based on Capital Profiles that are already approved with \$824.6 million of those funds. These are long term projects that span a few years and in some cases a few Budget Cycles, Large examples of these are Yellowhead Freeway Conversion and Blatchford Redevelopment. As a recommended profile, Affordable Housing Land Acquisition & Site Development is requesting approval of \$26.3 million of funds in 2023 and beyond; making up the balance of the amount of \$850.9 million shown on page 13. Not included here are any funding sources or debt financing that may be available in 2023 and beyond for projects that have not been approved or recommended to start in this budget cycle.

2019-22 Capital Budget Questions By Question

Branch: Economic & Environmental Sustainability **Asked By:** Councillor Paquette

Question #: 19-052C

Budget Page #: 12

What are the growth impacts of annexation?

Question Answer:

Transitioning rural and agricultural environments into an urbanized landscape is a gradual process. Using the City's cultural commitments as first principles, Administration's preparations for expanding our boundaries to welcome our City's newest residents has focused on delivering results through cross-department integration, operational excellence and financial accountability.

While the full impacts of future growth and development is currently undefined, initial annexation impacts have minimal capital requirements from the City of Edmonton. The only capital ask from Fire Rescue Services was previously approved by Council through the Fall 2017 and Spring 2018 Supplemental Capital Budget Adjustments. This included the purchase of a tanker unit for \$1.2 million and a South HazMat unit for \$1.7 million, both funded by the Fleet Services Vehicle Replacement Reserve. Both units are custom-ordered vehicles that require long lead time to build and deliver, and will be located on the south side of the city to address existing response time challenges as well as serve the proposed annexed areas south of Edmonton.

Most operating costs of annexation have been absorbed by City departments into their existing operating budgets with the intent to develop a working operational plan with well defined requests for funding after area requirements have been fully identified. The costs that could not be absorbed are included in the proposes 2019-2022 Operating Budget and include Fire Rescue and Police staff, peace officers, and turf and road maintenance. A breakdown of the approved capital and requested operating budgets are detailed in the table below.

2019-22 Capital Budget Questions By Question

		2018	2019	2020	2021	2022	FTE
CAPITAL							
Fire	South Hazmat Unit (Profile 18-70-0002)	1,720	-	-	-	-	-
Fire	Tanker Unit (Profile 18-70-0001)	1,211	-	-	-	-	-
		2,931	-	-	-	-	-
OPERATING							
Fire	Tanker Unit - Staffing Requirements	-	1,584	1,691	1,771	1,857	12.0
	South Edmonton Hazardous Materials Unit	-		240	3,265	248	25.0
Standards	Peace Officers	-	358	336	339	342	2.5
Parks	Turf Maintenance	-	3,248	3,248	3,181	3,248	-
Roads	Road Maintenance	-	1,216	1,216	1,183	1,216	-
Police	Staffing Requirements	1,929	4,929	4,929	4,929	4,929	25.0
		1,929	11,335	11,660	14,668	11,840	64.5
TOTAL GROWTH IMPACTS		4,860	11,335	11,660	14,668	11,840	64.5

2019-22 Capital Budget Questions By Question

Branch: Edmonton Transit

Asked By: Councillor Paquette

Question #: 19-053C

Budget Page #: 14

[14, 15] What is the formula for transit ridership that federal funding is based on?

Question Answer:

In reference to the grant information provided starting on page 14 of the proposed 2019-2022 Capital Budget, the two Federal Grant programs are Phases I and II of the Public Transit Infrastructure Fund. The federal government allocates money to Alberta for transit, based on population (30%) and ridership (70%) data. The Province, in turn, allocates that funding to cities based solely on ridership data. The ridership data is based on the latest CUTA data that is collected nationally.

Branch: Community & Recreation
Facilities

Asked By: Councillor Paquette

Question #: 19-054C

Budget Page #:

How much does the city subsidize the cost of ice time rentals for large and small arenas?

Question Answer:

On average, the City subsidizes 43% of ice time rental costs for Single Pad Arenas and 34% of ice time rental costs for Twin Arenas.

These subsidization levels are greatly impacted by high utilization of arenas by minor sport groups as their ice rental rates are discounted by 50%. A high volume of minor sport users results in lower revenue and therefore a higher subsidy amount.

2019-22 Capital Budget Questions By Question

Branch: Land Enterprise

Asked By: Councillor Paquette

Question #: 19-055C

Budget Page #:

Does the City of Edmonton's land development company maintain competitiveness with private industry and take on projects based on economic return or is there community and social benefit returns factored into the determination of project feasibility?

Question Answer:

Enterprise Land Development (ELD) is a self funded enterprise operating within the City of Edmonton. It is governed by Policy C511 (Land Development Policy) and Policy C516B (Land Enterprise Dividend Policy) as well as the Industrial Land Strategy and City Council's Strategic priorities.

Pursuant to Policy C511 and C516B, land development activities are based primarily upon financial return on investment but community and social benefits that align with Council's strategic plan are also considered and supported. ELD contributes to various city building initiatives, such as:

- selling at least 50% of residential lots to individuals and small builders;*
- including secondary suites and achieving density targets;*
- requiring energy efficiency in residential and industrial built forms;*
- promoting affordable housing;*
- ensuring a three year supply of serviced industrial land; and*
- working to remove obstacles to development or funding of infrastructure.*

Selling at least 50% of residential lots to citizen and small builders is a differentiator between the City's model and that of private industry. Selling directly to citizens increases housing affordability as it allows individuals to use sweat equity to achieve home ownership goals and can remove the home builder's revenue from the final built form cost. Selling to small builders promotes small business who are often not able to support the number of builds required to service a significant portion of a residential lot subdivision. ELD's model also supports housing choice by enabling individuals and small builders to construct custom built homes.

Ensuring a three year supply of serviced industrial land is important as it supplies the market with shovel ready serviced industrial land and helps to promote regional prosperity by providing opportunities for industry and business to locate and invest in Edmonton. Providing "shovel ready lots" adds choice to the market and allows industry and businesses to enter the market at the vertical development stage, instead of incurring the delay and the costs associated with servicing raw land. ELD's ICI land development activities can also front end servicing costs and fill an important role of extending servicing into an area, which may otherwise be cost prohibitive.

A recent example of ELD contributing to the community is the development of lands in Goodridge Stage 1. Instead of focusing solely on an economic return on investment, ELD prioritized and contributed to the development of lands required for the NW EPS Campus and the future location of the Co-Located Dispatch and Emergency Operations Centre.

2019-22 Capital Budget Questions By Question

Branch: Corporate Accounting

Asked By: Councillor Paquette

Question #: 19-056C

Budget Page #: 23

What are the estimated debt servicing costs associated with borrowing for LRT infrastructure if the range does not include potential for additional private interest as part of the procurement model?

Question Answer:

The range provided for future LRT expansion is applicable for both a procurement model that includes private financing, and a procurement model that does not include private financing. It is currently anticipated that both procurement model options would include their own unique additional interest and financing costs.

There are a number of possible financing scenarios for LRT expansion. Administration continues to analyze potential procurement options for future LRT expansion with a goal of selecting an option that provides the maximum value for money to the City

2019-22 Capital Budget Questions By Question

Branch: Corporate Accounting

Asked By: Councillor Paquette

Question #: 19-057C

Budget Page #: 24

How likely is it that the projected DMFP debt ceiling will be reached sooner and last longer than predicted in figure 4 and what options does the city have to move that debt room elsewhere?

Question Answer:

The likelihood of the City reaching the Tax-Supported Debt Servicing limit is dependant on both future limits and tax-supported debt funding for projects approved by Council.

The projections shown in Figure 4 include the following information related to these two key figures:

1. Annual Amount of the Tax-Supported Debt Servicing Limit - The Tax-supported Debt Servicing limit is based on a calculation of 15 per cent of annual tax-supported revenues. The projections in Figure 4 are based on conservative annual revenue growth assumptions of 3 per cent per year.

2. New Tax-supported Debt Approved by Council - Currently, the projections in Figure 4 include the following:

a) 100% of the design and construction costs for the "Potentially Debt Funded Profiles" in the 2019-2022 Capital Budget being approved by Council (debt servicing costs associated with these projects are represented by the light orange bar in Figure 4)

b) A range of required tax-supported debt servicing room required for future LRT expansion (this range is represented by the light purple bar in Figure 4). Only under a scenario where the maximum amount of the range is required for future LRT expansion, does the City reach it's projected debt service limits (all other assumptions stated above being the same)

If Council wishes to avoid using additional debt servicing room on future projects, it would need to identify and approve an alternate funding source in lieu of tax-supported debt for those projects.

The Debt Management Fiscal Policy Is a council approved policy. The tax-supported debt servicing limit defined in this policy is more conservative than the debt and debt servicing limits defined in the Municipal Government Act. The Debt Management Fiscal Policy can be amended provided that any limits established remain within the limits defined in the Municipal Government Act.

Branch: Corporate Accounting

Asked By: Councillor Paquette

Question #: 19-058C

Budget Page #: 26

In regard to debt servicing on potential new profiles with debt financing, is it predicted that the trend after 2025 will be continue to be increases in servicing costs? (table 5)

Question Answer:

The debt servicing costs in the year 2025 represent the maximum amount of projected new debt servicing costs for the projects listed in table 5.

Table 5 ends in 2025 because it is the year in which debt service costs for potential new profiles would be at their maximum. The entire tax levy increase required to support those costs has been factored in, and there would be no increase to servicing costs after that time.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Paquette

Question #: 19-059C

Budget Page #: 28

Of the 10% percent of city assets that are D (poor condition) or F (very poor), how many are D and how many are F?

Question Answer:

The breakdown across all City assets (Facilities, Transportation, and Open Spaces) in D&F condition as identified on page 28 is as follows:

Assets in D (Poor) condition: 8%

Assets in F (Very Poor) condition: 2%

Total D&F: 10%

Branch: Infrastructure Planning & Design

Asked By: Councillor Paquette

Question #: 19-060C

Budget Page #: 30

What does the “adjustment after CIO” bar in Figure 6 under Police Renewal represent?

Question Answer:

Following the release of the 10-year Capital Investment Outlook, while transitioning through the development of the renewal profiles, it was identified that RIMS produced a renewal requirement for EPS large software category that was larger than what was practically necessary. Based on this assessment and quality control check, the values were rationalized and adjusted accordingly.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Transit

Asked By: Councillor Paquette

Question #: 19-061C

Budget Page #: 59

To what extent is the current transit system nearing capacity? How will both the addition of more LRT and increased ridership affect that capacity? What is the predicted capacity that will be required into the future and what will be needed to meet it?

Question Answer:

Edmonton Transit Service (ETS) is focused on creating a safe, reliable, fast and convenient transit system for its customers. There are many factors to be considered when determining capacity - bus renewal strategy and maintaining an appropriate fleet age, environmental factors, supporting the new City Plan by understanding associated transit demand, garage space, LRT infrastructure, fare policy, service delivery, etc. Administration will present an outline to link all of these elements together into a long-term strategy for transit in Edmonton to City Council in January 2019.

ETS is focused on optimizing services and renewing assets over the next four years. As an example of optimizing services, new service from LRT development allows Administration to repurpose a limited number of bus service hours that previously provided transit service along that corridor.

Within the scheduled bus and LRT service, additional riders can generally be accommodated. This is not consistent across all transit hours of service, as a higher level of capacity is unused during off-peak hours such as evening or weekend service. Conversely, there are peak times where both LRT and certain bus routes are at maximum passenger capacity. The goal of the bus network redesign is to make better use of resources and redistribute service hours to create a more direct, reliable and efficient transit network for customers.

ETS is at capacity for service provision during peak hours for bus and LRT, meaning all of the fleet is being deployed to run the transit service. ETS has exceeded its capacity for maximum annual kilometres that a bus should deliver (buses should not exceed 50,000 kms, and ETS' average is 54,127 kms) and is at capacity for fleet storage within our four conventional bus garages, including Kathleen Andrews and our paratransit garage.

2019-22 Capital Budget Questions By Question

Branch: Open City and Technology **Asked By:** Councillor Paquette **Question #:** 19-062C
Budget Page #: 71

[71, 72] Is the City locked into IT contracts that require servicing and maintenance through a particular vendor and if so, is the value worth the cost in those contracts?

Question Answer:

The City does maintain support agreements that require servicing and maintenance through both vendors and 3rd parties.

In some cases the vendors absolutely require that we maintain servicing and maintenance agreements with them. However, the City continuously reviews these contracts to ensure we are getting value for money, and there are instances where Administration looks at alternative arrangements.

For example, in late 2016 we moved our Peoplesoft support from Oracle (the owner and manufacturer of Peoplesoft) to a third party. This, however, was part of a larger strategy as we plan to remove or replace Peoplesoft. This third party provider ensures we get critical security patches and tax updates, but no version upgrades. By completing this move the City is saving money with the trade off of not receiving version upgrades.

Branch: Blatchford Redevelopment **Asked By:** Councillor Paquette **Question #:** 19-063C
Budget Page #: 77

Is the plan for Blatchford nimble enough to adapt to new technology into the future without losing money on sunk costs for the district energy sharing concept?

Question Answer:

Yes, the development of Blatchford is in staged phases. This approach will ensure energy and financial sustainability can be evaluated before investments are completed for the Blatchford Renewable Energy Utility. The Utility will evaluate the financial, social and environmental benefits of integration of emerging energy technology to align with the vision for Blatchford, and will present business plans, budgets and business cases as part of their annual rate filing.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Paquette

Question #: 19-064C

Budget Page #:

What feedback from the public and business community has the City received about the timing of construction on Stony Plain Road and Jasper Avenue to accommodate the LRT and Imagine Jasper Ave?

Question Answer:

Administration has brought forward 4 reports on this project (ref: CR_3323, CR_4890, CR_5628 and CR_6239). These reports include information on the level of support or otherwise, and concerns brought forward by both the residential and business community. Generally speaking, there is an interest in enhancing what exists today both from the condition and its overall urban design from a signature Main Street. The project was originally brought forward to City Council with the 2015-18 Capital Budget as a "Like for Like" renewal project. At that time, City Council heard from the public that there was significant interest in enhancing what's there to improve the urban design. There continues to be some caution expressed related to broader traffic impacts both with this project coupled with the Valley Line West LRT project.

Branch: Infrastructure Delivery

Asked By: Councillor Paquette

Question #: 19-065C

Budget Page #:

Will the Groat Road bridge be complete by the time these projects start? What are the costs and benefits to phasing them in one at a time?

The questions put another way are:

What is the planned timing for the Groat Road construction to be complete?

What will the impacts be of the LRT construction on Stony Plain Road happening at the same time as the Imagine Jasper Avenue construction, particularly if they begin before the Groat Road construction is complete?

Question Answer:

The Groat Road Bridge rehabilitation is anticipated to be complete in 2020. West LRT is planned to be under construction between 2020 and 2026. Construction sequencing and traffic impacts was addressed in the Integrated Infrastructure Services report CR_6239 presented to Urban Planning Committee on October 30, 2018.

Branch: Fleet & Facilities Services

Asked By: Councillor Paquette

Question #: 19-066C

Budget Page #:

Has the City considered using car share for some vehicle fleet uses?

Question Answer:

Yes, there are cases where individual branches and yards have shared fleet assets. An example of this is the Community Peace Officers section, where vehicles operate as a pool and are signed out by Peace Officers on an as-required basis.

As part of the Fleet and Facilities 2019-2022 business plan, the branch will work with operational areas to investigate further car sharing opportunities amongst staff as well as across the corporation.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Banga

Question #: 19-067C

Budget Page #: 15

Are there budget impacts depending on the outcome of the Green Infrastructure Project and Community Culture & Recreation funding streams? What might the City expect for its share of this funding? What projects have we applied for?

Question Answer:

Since most grants, including the two you mention are cost sharing programs, the City would be required to contribute a percentage of the project costs or may in some cases (if allowed) use an existing grant such as MSI to fund its share. Likewise, the City may contribute or commit dollars contingent on other partner funding for community partner projects. With respect to the Community, Culture and Recreation component, the City has not applied for funding for any civic projects under this stream. Instead, we are working with our community partners to leverage this funding opportunity for their initiatives, with the focus being on moving forward projects that already have a funding commitment from the City in place, but are on hold until additional funding from government partners is secured. In terms of the Green Infrastructure component, the City to date has submitted Expressions of Interest for two projects: Green Retrofits for Municipal Facilities; and Blatchford District Energy. Under this stream the federal government would provide up to 40% of eligible costs, the province would contribute up to one-third and the City would be responsible for the balance. While the City put forward these two projects for funding, we did so knowing there is a high probability that up to \$600 million from the Green Fund will need to be moved to the public transit envelope for Edmonton LRT to ensure there is enough federal transit funding to top up our current allocation of \$878 million to match the province's \$1.5 billion commitment. Should this occur these green projects may not secure funding, as all of Edmonton's green allocation will all go to LRT. Since applications are still pending, Administration has not included in the recommended budget the potential municipal contribution, as the City's required commitment is still unknown.

2019-22 Capital Budget Questions By Question

Branch: Economic & Environmental Sustainability **Asked By:** Councillor Banga

Question #: 19-068C

Budget Page #: 12

Why was the growth impact of Leduc County annexation not included in the proposed Capital Budget?

Question Answer:

Transitioning rural and agricultural environments into an urbanized landscape is a gradual process. Using the City's cultural commitments as first principles, Administration's preparations for expanding our boundaries to welcome our City's newest residents has focused on delivering results through cross-department integration, operational excellence and financial accountability.

While the full impacts of future growth and development is currently undefined, initial annexation impacts have minimal capital requirements from the City of Edmonton. The only capital ask from Fire Rescue Services was previously approved by Council through the Fall 2017 and Spring 2018 Supplemental Capital Budget Adjustments. This included the purchase of a tanker unit for \$1.2 million and a South HazMat unit for \$1.7 million, both funded by the Fleet Services Vehicle Replacement Reserve. Both units are custom-ordered vehicles that require long lead time to build and deliver, and will be located on the south side of the city to address existing response time challenges as well as serve the proposed annexed areas south of Edmonton.

Most operating costs of annexation have been absorbed by City departments into their existing operating budgets with the intent to develop a working operational plan with well defined requests for funding after area requirements have been fully identified. The costs that could not be absorbed are included in the proposed 2019-2022 Operating Budget and include Fire Rescue and Police staff, peace officers, and turf and road maintenance. A breakdown of the approved capital and requested operating budgets are detailed in the table below.

2019-22 Capital Budget Questions By Question

		2018	2019	2020	2021	2022	FTE
CAPITAL							
Fire	South Hazmat Unit (Profile 18-70-0002)	1,720	-	-	-	-	-
Fire	Tanker Unit (Profile 18-70-0001)	1,211	-	-	-	-	-
		<u>2,931</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
OPERATING							
Fire	Tanker Unit - Staffing Requirements	-	1,584	1,691	1,771	1,857	12.0
	South Edmonton Hazardous Materials Unit	-		240	3,265	248	25.0
Standards	Peace Officers	-	358	336	339	342	2.5
Parks	Turf Maintenance	-	3,248	3,248	3,181	3,248	-
Roads	Road Maintenance	-	1,216	1,216	1,183	1,216	-
Police	Staffing Requirements	1,929	4,929	4,929	4,929	4,929	25.0
		<u>1,929</u>	<u>11,335</u>	<u>11,660</u>	<u>14,668</u>	<u>11,840</u>	<u>64.5</u>
TOTAL GROWTH IMPACTS		4,860	11,335	11,660	14,668	11,840	64.5

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Banga

Question #: 19-069C

Budget Page #: 16

If the UCP wins the next Provincial election and deprioritizes a carbon tax, is it possible the MSI alternative would be less constrained? What are early indications for the mindset of funding with a change in government?

Question Answer:

Irrespective of which political party wins the Provincial election, there is ongoing economic uncertainty and volatility arising from fluctuating oil prices and potential US trade restrictions which may impact the timing and amount of federal and provincial government grants and funding going forward. There is also continued uncertainty as to the replacement for MSI funding which ends in March 2022, including how much funding will be provided under the new framework and what projects would be eligible. What is key for the City is that any MSI replacement funding be, at a minimum, kept at a level consistent with previous years amounts and with the program funding being eligible to fund projects with less constrained rules similar to the current MSI program.

Branch: Corporate Accounting

Asked By: Councillor Banga

Question #: 19-070C

Budget Page #: 20

What is the economic calculation and reasoning applied for the MGA as to why the debt limit is set at 2x municipal revenue? Theoretically, could the City continue to raise its debt limit if it increased taxes? This would not be fair or sustainable, but debt as a calculation of revenue seems to make this possible

Question Answer:

The City of Edmonton is subject to limits of total debt by the Municipal Government Act, RSA 2000, c M-26 (MGA). The MGA Debt Limit Regulation AR 255/2000 stipulates that the City's total debt limit is two times the revenue of the municipality. The revenue for purposes of this calculation is the consolidated revenue of the City less capital government transfers and developer contributed tangible capital assets and excludes revenue from EPCOR.

Since the MGA total debt limit is not based solely on property tax revenue, an increase to property tax revenue would not necessarily equate to an increase in the MGA total debt limit. In 2017, property tax revenue accounted for only 53% of the total municipal revenue which the debt limit calculation is based on. Municipal revenue also includes revenue streams such as user fees, franchise fees, investment earnings, etc.

Administration is unable to speak to the specific reasons for why the Province established debt limits which are based on revenue. However, the "Affordability Limits" section of the City of Edmonton's Debt White Paper (https://www.edmonton.ca/city_government/documents/TWWF_Debt_WhitePaper.pdf) provides an analysis of why the City established its own internal debt limits which are based on City revenues.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Police Service

Asked By: Councillor Banga

Question #: 19-071C

Budget Page #: 26

The EPS firearms training facility would add a 0.29% tax increase over 2025. We've heard that some private facilities that could fit these needs instead of brand new construction. Have other options been explored? What is the key change in capacity that will be developed with this facility?

Question Answer:

All private indoor ranges are designed for static marksmanship drills and have very little flexibility for movement and wider shooting angles. This is not sufficient for the expectations of law enforcement. There is a privacy component to law enforcement training that requires no shared use with public and would necessitate the closure of private ranges (including their CCTV filming) when in use by EPS training. This is important for both the privacy of police techniques as well as the use of certain weapon systems. Currently our carbine operators were being challenged with booking time at an out of town range because of the demands of public use.

The use of private a range requires driving out of the city, and this is not a gain in efficiency to what is desired in the recruit program. Larger training facilities such as RCMP Depot Division or the Ontario Police College conduct training with shorter firearms blocks in a more frequent interval. This is the best way to train in firearms to alleviate natural fatigue, but currently not possible with the EPS, and it would continue to not be possible with private ranges.

Occupational Health and Safety has high standards for ranges and in the past has closed ranges as well as making private ranges cost prohibitive. There would also be challenges should ownership of the range change or business objectives of a private range change. Further, should a range become closed for lead remediation or any other OH&S issue, this would significantly impact an EPS firearms program that becomes dependent on the management of a range outside of EPS control.

In order for police training to be valid, reliable and relevant, it is vital that firearms training be conducted in a simulated and realistic environment. Current research on firearms training and best practices surrounding ambush attacks require the addition of vehicles and other props as well as dynamic movement with team shooting and shooter advancement on target. This is not possible in private ranges.

The key changes in capacity with this facility include:

** Increased physical capacity to train more members and provide more courses. For example the EPS is currently required to not only qualify but to train all sworn members annually, whereas only recruits and patrol members are currently trained (approximately 600 of 1800 members). The EPS also wants to develop further training such as a "return to patrol" course to train on perishable skills that members may have lost by working in other areas or being off through injuries or other accommodation.*

** Increased efficiency in the training of EPS recruits due to placement at NW Campus.*

** Increased type and flexibility of training by having a facility that allows for increased shooting angles, integrating other use of force options and de-escalation, incorporating vehicles and other props, allowing for dynamic movement and increased complexity of scenarios.*

** Increase availability to conduct integrated training and potential for cost-recovery by renting range space to other law enforcement agencies. This will also allow for sharing specialized training costs when bringing in external instructors.*

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-072C

Budget Page #: 30

In the discussion about RIMS allocation, why is there the largest deficit on Technology Equipment? I assume this might be us not having the latest technology. Is there risk though in terms of security of our systems? Would overall service levels be impacted by this deficit? (Figure 6)

Question Answer:

"Total funding of Information Technology equates to approximately 90% of the ideal RIMS allocation. The gap depicted in the budget graphic is recognizing that a portion of the RIMS funding is recommended for Growth IT investment. Although this investment may not meet the strict definition of renewal, it will address renewal needs. The entire amount of the 90% allocation is proposed for investment in IT assets, just not strictly IT renewal. RIMS takes a top down approach with strict adherence to renewal/growth definitions. As such the RIMS allocation model is not as easily applicable to technology assets, as the rapid advancement of technology requires a unique investment approach. For technology assets, the approach was modified to support the uniqueness, identifying needs by project rather than by a group of assets. The risk of this different approach is minimal and is not anticipated to have a significant impact on current risk profiles, or overall service levels. "

Branch: Building Great Neighbourhoods

Asked By: Councillor Banga

Question #: 19-073C

Budget Page #: 32

Would we have legislative authority to require developer costs for a microsurfacing treatment in year 10 of a new area? (Neighbourhood renewal)

Question Answer:

No municipality has this authority. Developer costs come from Part 17 of the MGA and strictly do not involve maintenance or renewal as eligible. The charges that can be levied on new development are only those of a capital nature (new or expanded infrastructure for new or expanded development).

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-074C

Budget Page #: 34

Says that the City had "encountered better than expected tender pricing/performance and less than expected deterioration." Are we basing our budgeting, tenders, and planning of roadwork based on old expectations, or have these recent outcomes changed how future work is planned?

Question Answer:

Our budgeting approach (whether Renewal or Growth projects) is continually calibrated based on current construction and inflationary trends. The estimates incorporated in the budget are based on our most recent experience but are still subject to the latest project information available depending on its current progress (or checkpoint).

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-075C

Budget Page #: 35

What are the main ways that renewal contributes to the reduction of 15,000 tonnes of CO2?

Question Answer:

The primary approach for how renewal contributes to GHG (Greenhouse Gas) reduction is through facility renewal. Administration regularly completes Energy Audits for any facility that is recommended for rehabilitation. The Energy Audits, combined with the Building Condition Assessments and other relevant studies, provide information and direction as to strategies and replacement of equipment to reduce GHG emissions while ensuring reliability in our assets. The projects are prioritized based on a multitude of factors that include, but not limited to, the age of the facilities and their corresponding systems, the energy usage factors and the operational requirements. The Energy Audits identify opportunities that should be considered to reduce GHG for mechanical, electrical and structural building components that could be upgraded. The Energy Audits also indicate the calculated reduction in GHG that is expected from replacing/upgrading each item identified as Energy Efficiency Measures (EEMs). Renewal is planned to ensure that any component that has been identified for lifecycle replacement is replaced/upgraded in a manner that results in the reduction of both energy consumption and corresponding GHG emissions. The Civic Operations Greenhouse Gas Management Plan, approved by City Council in May 2018, outlines a goal of reducing GHGs associated with civic operation by 50% below 2005 levels by 2030. A reduction of 45,000 tonnes of GHGs is required from civic building retrofits in the next 12 years (three 4-year budget cycles) to achieve that goal, or 15,000 tonnes of GHGs over 2019-22 with an anticipated incremental investment of up to \$27 million.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-076C

Budget Page #: 42

Regarding Dogs and Open Spaces on page 38, 5% is in recommended funding, page 42 (requested but not recommended for funding) is 95%. To what checkpoint would 5% of funding achieve? Was the current funded checkpoint the 'Dogs in Open Spaces' Strategy? Is there a list of prioritized locations for dog park construction/upgrades? If funding only came in at recommended levels what would be the timelines for new parks? With profile CM-99-9000, project 1000005, (pg 593) where would 'minor high priority improvements only' be located?

Question Answer:

Dogs and Open Spaces program is a composite profile that includes a variety of locations as identified in the Dogs and Open Spaces - Implementation Plan (CR_3560). The 5% recommended for funding includes both the development and implementation of minor improvements at a select number of existing off-leash areas (to be determined based on available funding). These improvements would consist of amenities such as: waste containers, dog waste bags, off-leash area signage (off-leash boundaries and etiquette), landscaping including for boundary delineation, and drainage/erosion control.

In order to advance larger projects (for example, the development of new off-leash areas) would require additional funding beyond the recommended 5% (to be confirmed with further Planning & Design to checkpoint 3; \$1.6M). Any additional funding would be allocated towards the development of new dogs off-leash areas in underserved areas. The locations would be selected based on the priority areas identified by the Dogs and Open Spaces - Strategy and Implementation Plan. The Dogs and Open Spaces Strategy includes a concentration of Dogs Map, showing the density of licenced dogs by neighbourhood in Edmonton, and underserved locations in Edmonton, further identified through public consultation. Timing related to the implementation of the Dogs and Open Spaces - Implementation plan is contingent on the level of funding recommended and approved.

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-077C

Budget Page #: 422

One of the alternatives considered says "Developers could be asked to develop new park spaces in new neighbourhoods." What would be the nature of this ask? How much could be required, and how would the affect the City's planning for parks?

Question Answer:

The Municipal Government Act stipulates the requirements for which a municipality can require land dedication or construction of infrastructure through either a subdivision or development permit. The Municipal Government Act does not allow the City to compel development of park land through a subdivision or development permit. The Shared Park Development Program was created specifically to address a voluntary opportunity where Developers can contribute initially to the development of park land but excludes the maintenance of these contributed assets.

2019-22 Capital Budget Questions By Question

Branch: Parks & Roads Services

Asked By: Councillor Banga

Question #: 19-078C

Budget Page #: 416

Council Amenity and Benchmark program is recommended for additional funding. Is the staff time component part of the profile?

Partnership funding accounts for \$100,000 in Benchmark. These additional benches are "full cost-recovered" according to the profile. Why is there a cap then? If more partners want to come forward to fund benches, would staff capacity be the barrier? What percentage of Benchmark allocation is typically provided per year (i.e. is it often maxed out)?

Question Answer:

Staff time is not part of the Council Amenity and Benchmark Profile. There is one funded position in Infrastructure Operations split between coordinating the Benchmark & Council Amenity Program and the Dogs Off-Leash Program.

COUNCIL AMENITY PROGRAM

Funding of \$100,000 ensures the continuity of the existing City Council Parks Amenity Program. This funding is presented each budget cycle for review and approval. Council can access this program to support improving community outdoor amenities and promote urban wellness with the installation of new park benches, tables, and trees.

BENCHMARK PROGRAM

The Benchmark program is partner funded and fully cost-recovered for the materials, equipment and staffing costs to install the bench. Historically, there has been no cap on Benchmark applications. \$100,000 identified partner funding is an estimate; actuals would be reflected by applications received each year. There is no maximum number of Benchmark installations. The Benchmark Program is always fully supported. Typically there are 40-50 installations per year on a request basis.

Branch: Edmonton Police Service

Asked By: Councillor Banga

Question #: 19-079C

Budget Page #: 64

Where would be the priority location for EPS for its seventh divisional station? (Funding not requested yet)

Question Answer:

The EPS has been working with the City's Integrated Infrastructure Services (IIS) regarding long term planning needs and that plan includes the need for an additional divisional station. At this time, the EPS's long term plan is to create a south central division due to the growth in the south part of the City of Edmonton, with annexation being given a significant amount of consideration. As part of that planning, the specific location of the station is not yet known, but options are going to be reviewed as part of our long term plan over the next year. The seventh division station is part of the EPS 10 year capital outlook and will be considered for funding during the 2023-2027 budget cycle.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Banga

Question #: 19-080C

Budget Page #: 335

On the affordable housing section, there seem to be a couple small discrepancies. The profile has a budget request of \$53 million, the overview on page 66 says \$54 million. Likewise the overview says \$28 million will be spent this cycle, the asset list on page 86 budgets \$26.74 million. Can this be clarified?

Question Answer:

There are two profiles that make up the \$54 million capital spend in 2019-2022 that is referenced on page 66. These include \$26.74 million in profile 19-90-4100 (Affordable Housing Land Acquisition & Site Development, pg. 335) and \$1.026 million in profile CM-17-5037 (Surplus School Sites – First Place Program, pg. 379). The rounded total of these two profiles is \$28 million.

Branch: Budget Office

Asked By: Councillor Banga

Question #: 19-081C

Budget Page #: 66

Over time, is there a concern about the spending power of the \$54 million if it's split evenly over the next two cycles? Interest rates are expected to rise, in addition to inflation. Would it be better to focus these funds near the beginning of the cycle?

Question Answer:

Expenditures in this budget period are based on several factors, including anticipated project readiness, timing of investments from other orders of government, and the availability of funding. Administration believes that based on these factors, capital spend in the 2019-2022 budget period aligns with the most realistic expectation of project delivery in this timeframe. The timing of expenditures in next budget cycle (2023-2026) will be reviewed and adjusted as necessary and as opportunities develop. Administration also notes that this profile is funded by Pay-As-You-Go, and not financed through debt, and as such project costs would not be impacted by escalation in interest rates.

2019-22 Capital Budget Questions By Question

Branch: Social Development

Asked By: Councillor Banga

Question #: 19-082C

Budget Page #: 337

The summary lists a number of activities: land, purchase of existing buildings, social housing development, etc. The profile does not appear to break down the budget in each of these categories. These will be dynamic as certain opportunities arise, I assume, but would it be good to have a ballpark? Without some specifics, how do we know \$28 million is the appropriate amount to spend this cycle? What type of these outlines strategies deliver the best return on investment?

On the operating impact, \$3.9 million is the indicated requirement, with 3 FTEs. What are the additional expenses beyond the staff?

Question Answer:

The City of Edmonton's Affordable Housing Investment Plan, which was presented to City Council on November 6, 2018, contains projected or planned expenditures and targets for five different priority investment areas: 1. Secondary Suite Grant Funding Program 2. Surplus School Site Development 3. Grants 4. Permanent Supportive Housing and 5. City-owned Affordable Housing Inventory.

The budgets for each priority investment area were based on detailed financial modelling, which considered program models, current market conditions (including land acquisition and building construction costs and non-market housing provider plans) and Administration's experiences funding affordable housing developments.

Three priority investment areas rely on capital funding - Surplus School Site Development, Permanent Supportive Housing and City-owned Affordable Housing Inventory. \$26.7 million in capital funding is planned to be expended during the 2019-2022 budget cycle, this funding will allow for the acquisition of land and buildings for affordable housing and site preparation. High level budget estimates for each category, based on the current model are as follows:

Permanent Supportive Housing: \$16.4 million

City Owned Affordable Housing Inventory: \$8.1 million

Surplus School Site Development: \$2.2 million

Note the Affordable Housing Investment Plan (2019-2022) is based on a leverage model and therefore, the breakdown figures are subject to change as projects are prioritized based on a number of factors including project readiness and funding secured from other orders of government.

The \$3.9 million operating impacts of capital located in the operating impacts of capital segment of the capital profile on page 337 of Appendix A is an error, a new replacement page will be submitted with a revised number.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-083C

Budget Page #: 159

The profile for the Ambleside District site says that the "facility will consolidate office and yard space that is spread throughout the southwest and southeast districts." Will this investment save in lease or maintenance costs if other sites will be consolidated there?

Question Answer:

Ambleside Integrated Operations Yard and Facility is intended to address both capacity to accommodate future growth and existing inefficiencies related to limited yard space and long lead travel times. Consolidation will include bringing multiple staff and equipment supporting City Operations onto a single site with the anticipation of leveraging efficiencies in shared resources and storage space. Additional operations savings are suggested to include:

- 1. Savings of travel times for staff having to travel between sites and field locations. 2. Cost savings related to fleet and equipment deployment due to routing efficiency.*
- 3. Significantly reduced travel for winter/summer roads maintenance equipment.*
- 4. Reduce travel facility maintenance to service facilities.*

Branch: Open City and Technology

Asked By: Councillor Banga

Question #: 19-084C

Budget Page #: 73

Expresses confidence that we'll be able to see a "significant shift from capital to operating expenditures" due to less onsite infrastructure of information technology systems. Why have we not yet seen that, and how will our investments now facilitate that shift? How will we avoid needing capital expense for the latest technology, especially given data privacy and security issues?

Question Answer:

Historically, capital investments in information technology have been focused on maintaining and refreshing existing legacy technologies. The City is reliant on highly customized legacy systems which have not received adequate investment for upkeep and maintenance. The result is high investment costs simply to maintain status quo, which has depleted available resources that would be required to undertake transformation opportunities.

Currently available technology includes a wide variety of cloud-based solutions from a more diverse and mature span of technology vendors who offer off premise technology solutions. The City has developed key strategies, including the Cloud Computing strategy and Information Security strategy, to support a holistic review when key systems and technology are due for refresh so that the City is well positioned to accelerate a transformation to less capital-intensive information technology investments that better meet City needs. The result is an increased focus on transforming how we deliver and consume services from on premise to off premise.

The City expects a significant shift from capital to operating as we move to "as-a-service" systems that are hosted off-premise. However, the City does not foresee that all investments will move out of capital.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Transit

Asked By: Councillor Banga

Question #: 19-085C

Budget Page #: 59

LRT Pedestrian Crossing Upgrades are not recommended to be funded. What risk could that pose for safety & liability?

Question Answer:

It is important to note that all current crossings include a risk analysis as part of their design, are deemed safe and meet industry standards. This profile would assess and upgrade additional LRT crossings to be consistent with the recent 60th Avenue changes, providing additional active warning systems. This is an elevated safety measure and enhances the current level of safety at crossings. The risk posed by not moving this profile forward is that the City would have inconsistent pedestrian crossings across the LRT system, which may impact customer perceptions of safety.

Branch: Parks & Roads Services

Asked By: Councillor Banga

Question #: 19-086C

Budget Page #: 48

A number of Traffic Safety measures are also not recommended for funding. What risk with road users face without these additional projects? To what extent could the City require developer funding/construction for the full buildout of pedestrian infrastructure (flashing beacons at crosswalks etc.) when a new neighbourhood is built?

Question Answer:

Traffic safety measures have historically been funded through the Traffic Safety Automated Enforcement Reserve (TSAER). As a result of limited reserve funding, we are unable to make further enhancements to traffic safety improvement measures at this time.

As a result appropriate infrastructure investment to mitigate serious injury collisions and fatalities will be delayed and it will take longer to achieve Vision Zero goals and targets.

Pedestrian infrastructure is included and planned as part of the neighbourhood design and the Transportation Impact Assessment prepared with the Neighbourhood Structure Plan. Developers fund initial controls to construction and design standards which include safety measures as defined by Vision Zero and the Transportation Impact Assessment, including pedestrian signals, crosswalks, etc. Developers do not typically fund growth or upgrades for pedestrian controls when a neighbourhood grows with adjacent developments or infill developments, unless the redevelopment is substantial and a clear traffic safety improvement measure is deemed required to support the redevelopment project.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-087C

Budget Page #: 61

The profile that includes the 'active transportation' is CM-20-2020 (page 496). How much funding is recommended for this portion, mentioned in the 'Growth' section? How much is not recommended for funding in the 'Other Considerations' section? What is the location priority list for these?

Question Answer:

The funding currently recommended in CM-20-2020 includes \$2M for the construction of missing sidewalk connectors. The prioritization of missing sidewalk connections is undertaken based on citizen inquiries, availability of alternate pedestrian connections, and opportunities to coordinate with other projects to realize construction efficiencies. The unfunded list of projects includes approximately \$40M worth of various active modes of infrastructure projects across the City, including new bike lanes and shared use paths, widening of existing shared use paths, and other improvements in support of active modes.

Branch: Infrastructure Planning & Design

Asked By: Councillor Banga

Question #: 19-088C

Budget Page #: 46

On pg 631, unfunded list #71, says 66 st widening 23 ave to TUC. On page 46 the same mention of 66 st says 'Ellerslie Road to 23 ave.' Presuming 'TUC' refers to the Anthony Henday Transportation Utilities Corridor, can there be clarification on how far south a potential project here could go?

Though they are not recommended for funding at this time, what are the general estimates for the work of 66 st widening (unfunded project line #71), checkpoints 3 through 5, and Parsons Road (unfunded project line #78) checkpoints 4 & 5.

Question Answer:

"TUC" refers to the Province's "Transportation / Utility Corridor".

Widening of 66 Street from 2 to 4 lanes between Ellerslie Road and 23 Avenue NW could be staged and completed as three separate projects;

- 1) 23 Avenue to Anthony Henday Drive,*
- 2) within the Transportation / Utility Corridor (TUC) including bridge widening, and*
- 3) Anthony Henday Drive to Ellerslie Road.*

The cost to complete planning and design (to checkpoint 3) for the sections is estimated at:

- 1) 23 Ave to Anthony Henday Drive \$0.5M*
 - 2) within the Transportation / Utility Corridor including bridge widening: \$1.5M*
 - 3) Anthony Henday Drive to Ellerslie Road \$0.5M*
- Total = \$2.5M*

The cost to complete construction of 66 Street widening (Checkpoint 3 to 5) for all the sections is estimated at approximately \$33M (-30%/+50%).

The cost to complete construction of Parsons Road widening (checkpoint 3 to 5) is estimated at approximately \$15M (-30%/+50%).

2019-22 Capital Budget Questions By Question

Branch: LRT Expansion & Renewal **Asked By:** Councillor Cartmell **Question #:** 19-089C
Budget Page #:

Please advise what checkpoints the LRT projects are at: West LRT, LRT to Blatchford, NW LRT beyond Blatchford, LRT to Heritage Valley, NE LRT to Gorman

Question Answer:

Valley Line West will reach PDDM Checkpoint 3 by mid-Q1 2019 with the completion of the preliminary design. It will then enter the procurement phase pending approval by Council. Metro Line NW (NAIT to Blatchford) will reach Checkpoint 3 in late Q2 2019 with the completion of the preliminary design. It will then enter the procurement phase pending approval by Council. Metro Line NW (past Blatchford to Campbell Rd) will reach Checkpoint 3 with the completion of preliminary design in Q3 2019, pending the outcome of an agreement with CN Rail for the crossing of the CN Walker Yard. Capital Line South (Century Park to Allard/Desrochers) will reach Checkpoint 3 by the end of 2019, with the completion of preliminary design. Capital Line NE (Clareview to Gorman) is at Checkpoint 3, as the preliminary design was completed 8 years ago. The preliminary design will need to be refreshed. Capital Line NE (Gorman to EETP) is at Checkpoint 1, with only a corridor defined in the statutory land use plans. A concept plan has yet to be developed.

Branch: LRT Expansion & Renewal **Asked By:** Councillor Cartmell **Question #:** 19-090C
Budget Page #:

Our current debt forecast preserves room to borrow for west LRT. Next LRT priorities depend on funds from Alberta and Canada which is not yet committed. We are preserving considerable debt capacity for unapproved LRT project. Please confirm this amount assumes an extension of the P3 approach, which adds private sector profit and borrowing costs to the potential obligation.

Have we looked at what effects cost escalation of West LRT would have if we are forced to delay either until the province supports, or if the province supports with backended profile?

If the commitments from Albert and / or Canada are 'back-ended', do when need short term 'working capital' debt? If so, how is that handled? Is it covered in the preserved debt room for LRT?

Question Answer:

The range provided for future LRT expansion factors in the potential for private financing under a design-build-finance P3 approach. The range presented also captures the potential impact of short-term borrowing that would be required if there are gaps in the timing between paying for project expenditures and the receipt of grant funding (for example, grant funding is back-end loaded). The City has an existing borrowing bylaw that was approved in order to bridge finance similar potential timing differences between project expenditures and receipt of grants (Bylaw 17432). If required for future LRT expansion, the Bylaw would be brought forward to Council for an amendment to include the future LRT projects that require the use of bridge financing. If approved by Council, the City would then have authority to borrow short-term debentures of up to 5-years through the Alberta Capital Financing Authority. Since the submission date of this question, the Provincial government announced funding of \$1.17 billion towards the Valley Line West and Metro Line to Blatchford projects. Details regarding the timing of this contribution have not been finalized. Administration has assessed cost escalation associated with project delays and currently estimates that a 1-year delay would result in approximately \$60 million in additional escalation costs. Administration continues to work towards a goal of construction starting in 2020 and avoiding the additional year of cost escalation. When the capital profiles are brought forward to Council the impact on the project on the city's debt capacity will be refined.

2019-22 Capital Budget Questions By Question

Branch: LRT Expansion & Renewal **Asked By:** Councillor Cartmell **Question #:** 19-091C
Budget Page #:

Have we considered an informal CRL approach for LRT? Or mass-transit generally?

Example A: Don't proceed with LRT until we get a critical mass of developer commitment, which would equate to some acceptable threshold of increased property tax revenue.

Example B: Property tax lift from TOD developments along existing lines to future LRT is then dedicated to future LRT developments?

Question Answer:

We have not considered a CRL for LRT but are beginning to investigate the concept of land value capture where the potential tax lift from TOD could be utilized to support ongoing LRT development. The Valley Line South East LRT has a debt servicing cost of approximately \$40M per year. Total tax uplift from growth across the City in 2018 was approximately \$28M (excluding CRLs). Growth is responsive to market conditions and demand and has been projected to increase over the next three years to \$35M. Unique projects may stimulate development in particular areas of the City, but annual growth is limited by demand. If development concentrates near LRT lines, there would be less development in other areas of the City. Investment in particular infrastructure projects may shift where investment takes place, but the market dictates the amount of growth across the City.

Branch: Budget Office **Asked By:** Councillor Cartmell **Question #:** 19-092C
Budget Page #:

Would a modest change to the Renewal / Growth ratio have any effect on debt?

Could we move some debt room from Renewal to Growth?

Or can we move some PAYG Renewal to Growth debt service?

Question Answer:

The ratio of Renewal vs. Growth will not have any effect on debt, the City's debt is considered in total and is not affected by the type of capital expenditure being classed as renewal or growth.

The debt room is overall debt room available for the City's Capital financing regardless if it is funding renewal or growth.

Similar with PAYG it is available to be moved between funding of Renewal or Growth expenditures.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-093C

Budget Page #: 44

Heritage Valley Park and Ride: Why is widening of Ellerslie Road between 115st and 127st unfunded? Why are Transit Priority Improvements between Heritage Valley and Century Park unfunded? Both elements are critical for the Park and Ride to perform. Are there alternative solutions? What is the reasoning here?

Question Answer:

Heritage Valley Park and Ride was approved based on emerging funding made available through PTIF - Phase 1. This grant funding was not an eligible source for road widening projects such as Ellerslie Road widening.

Preliminary design (checkpoint 3) for Ellerslie Road widening between 115-127 Street to Checkpoint 3 has been funded through cost savings made available from the 135 Street / Anthony Henday Drive project. We have identified additional construction savings from the 135 Street / Anthony Henday Drive project that could be reallocated to either of the road widening or transit priority improvements connecting Heritage Valley Park and Ride and Century Park LRT Transit Centre.

Transit priority measures along 111 Street are considered an interim measure until Capital Line LRT is extended to Heritage Valley Park and Ride. Additional design work is required to determine the optimum combination of priority measures to provide the best balance of bus travel time improvements against cost. This work is currently underway and is anticipated to be complete by Q2 2019.

Branch: Budget Office

Asked By: Councillor Cartmell

Question #: 19-094C

Budget Page #: 4

Funds from previously approved and completed projects available for reallocation. (Page 4 - \$34M) Have these funds been re-allocated already? Have we considered short term relaxation of debt servicing limit for 2023, 2024, 2025 (the pinch point)? Forecast is considerably better after 2025

Question Answer:

The funding that has been released through Administration's review of previously approved profiles has been re-allocated to fund projects in the 2019-2022 budget cycle.

With regards to short term relaxation of the debt servicing limit, the likelihood of the City reaching the Tax-Supported Debt Servicing limit in 2023 to 2025 is dependent on both future limits and tax-supported debt funding for projects approved by Council. The Debt Management Fiscal Policy is a council approved policy. The tax-supported debt servicing limit defined in this policy is more conservative than the debt and debt servicing limits defined in the Municipal Government Act. The Debt Management Fiscal Policy can be amended provided that any limits established remain within the limits defined in the Municipal Government Act.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-095C

Budget Page #: 38

Turf management: Please provide further detail. What is covered in this item? Please provide costs to install the artificial turf field only for the turf field at Terwillegar Heights.

Question Answer:

This project includes planning, design, and construction of irrigation systems for existing City sports fields. This profile was created based on previous discussions from Committee/Council where field closures resulting from climatic trends/events was impacting bookings and recreation programs.

Artificial turf is not considered part of this program. Please refer to question 19-115C for information on Terwillegar Heights Artificial Turf.

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-096C

Budget Page #:

Imagine Jasper Ave / Jasper Avenue rehabilitation / west LRT. Please advise what steps will be take to stagger construction schedules of these projects, such that we DON'T have both 102 AVE / Jasper Ave and Stony Plain Road / 104 Avenue under construction at the same time prior to operation start of west LRT. Closure of both arterials at once will severely compromise traffic flow.

Question Answer:

The Imagine Jasper Avenue project is being recommended in stages. The first stage of construction recommended, 109-114 Street, would occur between the 2020-22. The strategy is to complete an initial stage of Imagine Jasper Avenue project prior to construction is fully underway on Valley Line West. The construction timing for Valley Line West is still being finalized but is likely to start in 2021 and could extend to approximately 2027. Preliminary activities such as utility relocations for the Valley Line West could overlap intermittently with the Imagine Jasper project, but are not expected to not be continuous.

Jasper Avenue (109-124 Street) was originally recommended as a renewal priority in the 2015-18 Capital Budget. Administration was directed to modify the design approach to align with Main Streets / Complete Streets policy. This location continues to be a high priority for rehabilitation. The Jasper Avenue New Vision phase 2 rehabilitation, between 97 and 100 Street, is expected to begin construction in 2019, with completion in 2021. Subsequent phases of the Jasper Avenue New Vision project, from 102 to 106 Street could begin as early as 2021, pending approval of funding in the 2019-22 Capital Budget.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-097C

Budget Page #: 414

Open Spaces: Please provide more specific details on all composite profiles, including cost estimates for each profile item.

Question Answer:

Administration is not able to provide any cost information for any of the projects listed in the profile at this time (Projects are at checkpoint 1). Capital Governance Policy C591 directs Administration to ensure that projects complete Planning & Design (checkpoint 3) for projects prior to committing estimates for projects for construction.

Branch: Blatchford Redevelopment

Asked By: Councillor Cartmell

Question #: 19-098C

Budget Page #:

Please define "Blatchford Retained Earnings" as a funding source for Blatchford development. Please provide a high level summary of investments made to date into the development of Blatchford - or reference a previous report that contains the same.

Question Answer:

Retained earnings represent the accumulated profit or loss of the project that is retained at a particular point of time. In the case of Blatchford, the profit is represented by future sales of serviced and marketable residential and commercial lots.

There are timing differences associated with the costs of preparation and servicing of the properties on the site, and as a result the Blatchford retained earnings are currently in a deficit position. To offset the timing differences the City has issued debt to manage the working capital deficit. The cumulative net cash flows are expected to become positive in 2028.

Approximately \$135M has been invested in the Blatchford Development. This includes approximately \$100M for land acquisition, \$15M for base building development and \$20M for demolition, remediation as well as other related costs.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Cartmell

Question #: 19-099C

Budget Page #:

Are taxes collected for the Neighborhood Renewal Program accounted for under Pay As you Go or Levies?

Question Answer:

The portion of the Property taxes that are dedicated annually for the Neighbourhood Renewal Program and the new Alley Renewal Program are transferred to the Neighbourhood Renewal Reserve. In reference to page 13 of the 2019 -2022 Capital Budget these funds are shown as part of the Reserves funding. With these funds being transferred to a dedicated reserve these are limited to expenditures approved for the Neighbourhood Renewal Program and the Alley Renewal Program through the City budget process. These budgeted expenditures are approved in Operating budget for microsurfacing or other non-capital expenditures and in the Capital budget for capital expenditures. Transfers to and from the Reserve are approved by City Council in compliance with the City Policy C217A, Reserve and Operating Equity Accounts. In any given year, unspent funds will carry forward in the reserve.

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-100C

Budget Page #: 38

Under Parks, "Terwillegar Heights District Park - Master Plan Review" (Table 6, page 38). Please advise what capital profile that is carried under, and costs related to it.

Question Answer:

Terwillegar Heights District Park - Master Plan Review is included under profile CM-30-3030 (Open Space: Planning and Design - Growth, pg. 441) as project #100008. Funding of approximately \$0.2 million is considered to bring this project to Checkpoint #2.

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-101C

Budget Page #: 426

Open Space-Environmental - Renewal. Can this profile include modest capital improvements at "Edge of the Earth' on Whitemud Road, where the houses slid into the river? Improvements need to permit improved maintenance operations, and discourage noise, trash and vandalism concerns.

Question Answer:

Any major civil improvements are not recommended at this location. The ground is geotechnically unstable and any capital investment would be with a significant risk of being compromised.

In 2016, the City did complete minor site improvements to the top of the bank area to enhance functionality as a public park space. These minor improvements were carried out in accordance with the results of the public consultation in 2015. These minor improvements consisted of the installation of garbage cans, protective bollards, and signage. The area is regularly maintained and receives shrub and grass cutting similar to many other park areas; trash is picked up on regular schedules, and the area is added to the park rangers' lists and receives regular patrols.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-102C

Budget Page #: 149

Building Renewal Total request \$194,850. Please provide cost breakdown by project, and what work covers each project (design, construction, etc.).

Question Answer:

Administration is not able to provide any cost information for any of the projects listed in the profile at this time (Projects are at checkpoint 1). Capital Governance Policy C591 directs Administration to ensure that projects complete Planning & Design (checkpoint 3) for projects prior to committing estimates for projects for construction.

Branch: Infrastructure Delivery

Asked By: Councillor Cartmell

Question #: 19-103C

Budget Page #: 171

Coronation Community Recreation Centre. Has a solution to partner funding been found yet?

Question Answer:

The project is currently part of a funded profile through a combination of: Tax Supported Debt \$91.26M, Partner Funding \$20M, and Pay as you Go \$1M. \$16M of the \$20M in Partner Funding (which the Partner has hoped to obtain from the Federal and Provincial Governments) has not been secured. The project design has been on hold since 2014. Integrated Infrastructure Services will be bringing forward a report to Council (CR_6404 Coronation Community Recreation Centre - Design Completion) as part of the 2019-2022 budget deliberations. This report will provide information to Council on the steps to re-initiate the project design, and outline how the project can be completed in accordance with Council's Capital Project Governance Policy (C591).

Branch: Infrastructure Delivery

Asked By: Councillor Cartmell

Question #: 19-104C

Budget Page #: 176

Hawerlak / EFCL project. Has EFCL raised their portion for this project?

Question Answer:

No. The EFCL has not secured their portion of the project funding to date. EFCL has hired a project manager and is currently evaluating scope reductions to accommodate their available funding.

2019-22 Capital Budget Questions By Question

Branch: Fleet & Facilities Services **Asked By:** Councillor Cartmell **Question #:** 19-105C
Budget Page #: 243

Replacement of 974 vehicles over four years. Please provide analysis on savings / costs to defer all replacements by one or two years each. Please provide analysis of option to lease vehicles vs. purchase. Request is \$93.98M, 20% reduction saves \$18.8M.

Question Answer:

Replacement Deferral

The Vehicle and Equipment Replacement Profile is fully funded from the Fleet Services Replacement Reserve that is collected through an annual calculated contribution based on useful life and replacement value for each piece of equipment. The request to reduce the capital profile would not result in any savings as the funds in the replacement reserve are specifically dedicated to the replacement of vehicles and equipment as per policy.

A thorough evaluation is completed each year to ensure that the scheduled replacement year of the unit is optimized to ensure lowest total lifecycle cost and adjusted accordingly if replacement is required or can be deferred. At this stage we also review utilization and fit of the asset to the operational area to ensure replacement is justified. By deferring the replacement of vehicles and equipment, it would result in increased repair and maintenance costs and negatively impact the timing of any future replacement.

Ideal replacement plans attempt to balance life cycle optimization while distributing replacement as smoothly as possible. Mass purchases have negative impacts as the assets age (ie. average fleet age) which results in higher maintenance costs; burdened repair facilities; and operational areas with lowered availability. Delaying life cycle refresh has a cascade effect on the future maintenance costs, capacities, and plans.

Some specific examples of the difference in approximate maintenance cost between a unit in the first year of life versus one year past the prescribed lifetime, assuming average usage are as follows. See Attachment 1: Maintenance Cost, First Year vs One year past lifetime.

The Operating budget is set based on the assumption that a portion of the fleet is renewed every year, so the net effect of deferring replacements is to incur unbudgeted maintenance costs for units that are past life cycle. This deferral would require an adjustment to the operating budget for customers.

A one year deferral for the planned units for replacement in 2019-22 would be an increase of operating costs of up to \$7M per year for a total of up to \$28M for this budget cycle . A two year deferral for the planned units would result in an operating cost increase of up to \$11.9M per year for a total of up to \$35.7M for this budget cycle. Each of these scenarios also has an impact on all future budgets.

Deferring replacement may also present issues with operations groups as the availability of a unit decreases throughout its life, leading to a greater potential for missing program goals due to lack of adequately available fleet. Attachment 2 gives an example of the escalation maintenance cost over the lifetime and the decrease in availability of the unit assuming consistent usage.

2019-22 Capital Budget Questions By Question

Lease versus Own

Fleet and Facility Services regularly analyzes leasing vs renting vs purchasing for new equipment where leases are commercially available to ensure the City is getting best value. We also benchmark against other similar municipal corporations to determine where leasing procurement has been successful with these organizations. Where appropriate, lease and rental options are included on RFP's when tendering to get information to perform analysis of own versus lease on that type of equipment. Leasing has previously been utilized when there were insufficient capital dollars to provide for the outright initial purchase of the vehicles.

The current fleet complement includes a large proportion of units where leasing from vendors is not an option as there is no readily available market offering specialized heavy vehicles and equipment for lease. This is true for paving equipment, road grinders, graders, specialty equipment, waste collection vehicles etc.

Many vendors will offer a capital lease with required buyout for units built to City specification, for the benefit of smaller buyers that cannot manage the total capital cost upfront. In the case of the City, this leads to extra financing costs, usage limitations/penalties and buy out requirements for heavily modified assets. As per accounting rules as soon as there is a buyout option the lease changes from an operating to a capital lease.

An area of the fleet where leasing has potential is the light duty vehicles and equipment that comprise 79% of the total fleet requiring replacement in this budget cycle.

- For light duty vehicles, moving to a lease versus purchase option increases costs by 11% to 23% for the chassis only. The addition of any custom upfitting (headache racks, bins, canopies, bodies, shelving, etc) typically requires outright purchase. See Attachment 3: Light Duty Unit Lease Versus Own Cost Impact for a detailed breakdown.

- Equipment considers both off-road and on-road assets. Midsize mowers (off-road) for example, are the most prevalent rotary mower in the fleet. Moving to a lease agreement for midsize mowers with a cab increases costs by 13% compared to outright purchase, and 12% higher for mowers without a cab. For on-road equipment such as street sweepers, a lease agreement results in a markup of 25% over outright purchase. See Attachment 4: Equipment Lease Versus Own Cost Impact for a detailed breakdown

2019-22 Capital Budget Questions By Question

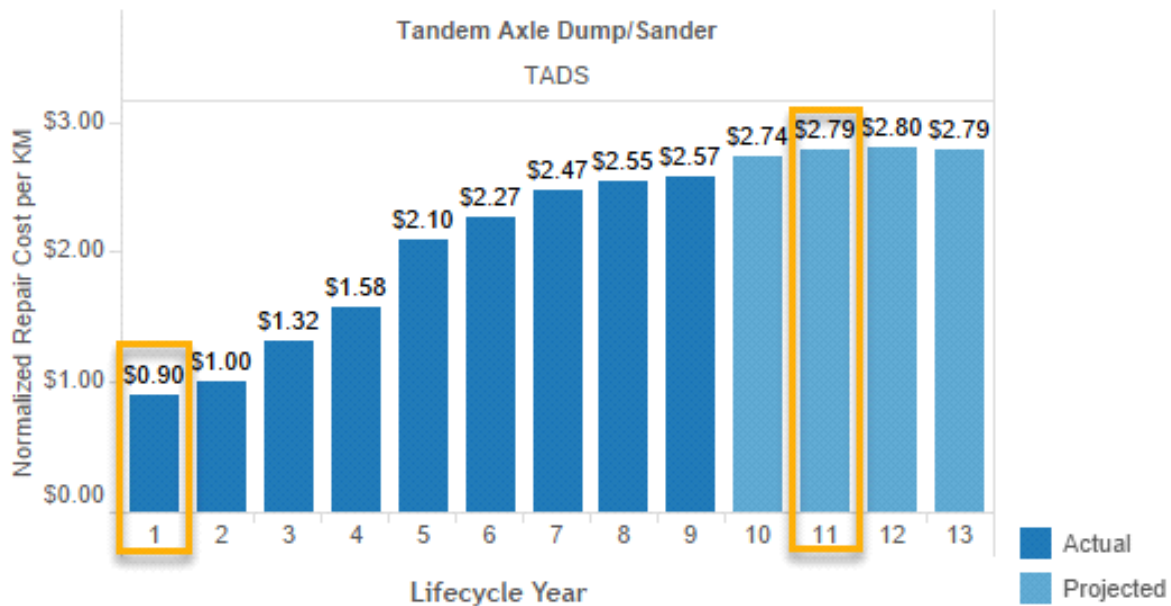
Attachment 1: Maintenance Cost, First Year vs One year past lifetime

Unit Type	Life Cycle	% Increase in Maintenance Cost (1st year past life cycle vs 1st year of life cycle)
Half-ton Pickup Truck	10 years	656 %
Tandem Sander Truck	10 years	210 %
72" Mower	4 years	96 %
192" Wide area mower w/ broom	6 years	167 %
Fire Pumper Truck	14 years	210 %
Fire Ladder Truck	16 years	315 %

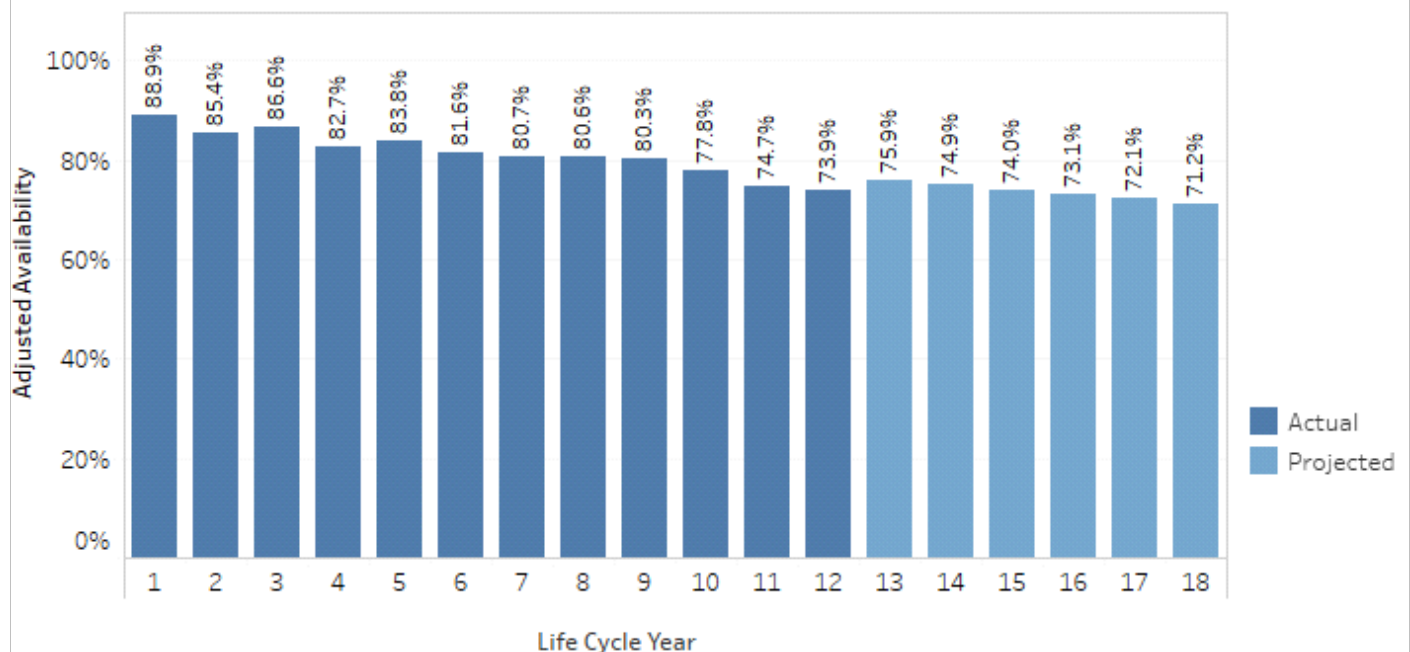
2019-22 Capital Budget Questions By Question

Attachment 2:

Tandem Sander Truck Cost Escalation over Lifetime (\$/km)



Pumper Adjusted Availability by Age (% uptime)



2019-22 Capital Budget Questions By Question

Attachment 3: Light Duty Unit Lease Versus Own Cost Impact

Light Truck/Vans/SUV Budget	\$22,773,322
Estimated Chassis Purchase Total	\$15,948,434
Estimated Fit-Up (Up Front Cost)	\$6,824,888
% Increase for of Leasing	13.5%
Cost Increase to Use Leasing	\$2,152,147*

*Does not consider time value of money

Attachment 4: Equipment Lease Versus Own Cost Impact

	Mower without Cab	Street Sweeper
Equipment Budget	\$1,989,738	\$2,833,420
% Increase for Leasing	11.5%	25.0%
Cost Increase for Leasing	\$238,769	\$708,355

*Does not consider time value of money

2019-22 Capital Budget Questions By Question

Branch: Social Development

Asked By: Councillor Cartmell

Question #: 19-106C

Budget Page #: 335

Land for affordable housing. Is it necessary to purchase more land? Or can we use land already owned? What is this needed for? More analysis please.

Question Answer:

The acquisition of new land will be required to meet Council's affordable housing priorities, including the development of new Permanent Supportive Housing units and the distribution of affordable housing across all parts of the city.

The City of Edmonton currently has land in its inventory dedicated for mixed income and seniors affordable housing. These parcels are either Surplus School Sites, which Council has dedicated for general mixed income or seniors affordable housing or they are located in areas of the city which already have a high proportion of affordable housing, including Permanent Supportive Housing. There are no parcels currently dedicated for permanent supportive housing. Land for this type of housing needs to be purchased. The Housing section is developing a new strategy for these assets in conjunction with the Real Estate and the Urban Renewal section.

Administration is also currently conducting a wholesale of review of the City's land inventory to determine if any existing parcels may be used for affordable housing. The results of this review, will determine how much new land needs to be acquired to meet plan goals.

Branch: Real Estate

Asked By: Councillor Cartmell

Question #: 19-107C

Budget Page #: 338

Heritage Valley Land Development. Rather than spend \$8.8M to develop, can we sell to adjacent owners?

Question Answer:

It is possible to sell these surplus City lands to adjacent owners and that is a strategy that is being considered. At the time of budget preparation, only preliminary analysis had been completed to determine the feasibility of development of these lands. Future detailed project proforma work will identify whether further investment by the City is appropriate or if greater value can be achieved by selling to adjacent land owners. The budget request provides flexibility for Administration to activate quickly if the analysis demonstrates profitability and an acceptable risk profile.

2019-22 Capital Budget Questions By Question

Branch: Real Estate

Asked By: Councillor Cartmell

Question #: 19-108C

Budget Page #: 350

Industrial Commercial Investment Land Development. Can we sell to adjacent owners?

Question Answer:

The Industrial Commercial Land Development capital profile (CM-16-2010) is intended to fund ongoing capital investment in land development activities for industrial and/or commercial lands. This is self funded capital from Enterprise Land Development (ELD) retained earnings.

Enterprise Land Development will work with adjacent owners to facilitate the orderly development of land. If appropriate and aligned with City Policy 511 and 516B, the City can sell industrial and/or commercial investment land prior to the final lot project being developed.

In the normal course, the Real Estate Branch includes listings for Industrial-Commercial-Investment lot product on the City's website and the REALTOR® multiple listing service. Adjacent owners can offer to purchase lot product offered for sale, as can any other interested party.

Branch: Real Estate

Asked By: Councillor Cartmell

Question #: 19-109C

Budget Page #: 361

Residential / Mixed Use Land Development Acquisition. More detail required. What will ultimate use of this land be once acquired?

Question Answer:

The Residential / Mixed Use Land Acquisition capital profile (CM-16-2025) is intended for the future purchase of residential mixed-use lands. This is self-funded capital from Enterprise Land Development (ELD) retained earnings. The capital budget request for this budget cycle is \$7,500,000 and is generally intended to allow the City to purchase land to facilitate orderly and coordinated development of existing holdings. For example, ELD recently purchased residential land from an adjacent land developer in order to support and coordinate a well planned and orderly developed neighborhood in Schonsee. ELD anticipates additional land purchases (or exchanges or sales) will be needed to coordinate the orderly development of residential lands in the next budget cycle, particularly in the Schonsee neighbourhood.

2019-22 Capital Budget Questions By Question

Branch: Real Estate

Asked By: Councillor Cartmell

Question #: 19-110C

Budget Page #: 365

Residential / Mixed Use Land Development More detail required. What will ultimate use of this land be once acquired?

Question Answer:

The Residential / Mixed Use Land Development capital profile (CM-16-2020) is intended to fund ongoing capital investment in land development activities for residential and mixed used lands. This is self funded from Enterprise Land Development (ELD) retained earnings. ELD is planning to invest in capital infrastructure in residential-mixed use lands in the neighbourhoods of Laurel, Schonsee and Goodridge Corners over the next budget cycle. ELD is also planning to advance a plan amendment in relation to ELD land holdings in the Aster neighbourhood.

In the Laurel neighbourhood, ELD is planning to finish construction of 300+ residential lots. We anticipate lot sales of these residential lots will begin in 2019 and will continue through the budget cycle. The warranty period on capital infrastructure will also continue through the 2019-2022 budget cycle.

In the Schonsee neighbourhood, ELD is planning to complete detailed design work, sign a servicing agreement and commence construction on two stages, totalling around 50 residential lots. We anticipate lot sales will begin at the end of the budget cycle in 2022 and continue into 2023. ELD is also intending to commence planning and preliminary engineering work for the future stages of residential development for ELD-owned land in Schonsee during the 2019-2022 budget cycle.

In the Goodridge Corners neighbourhood, ELD is planning to advance a plan amendment and complete detailed planning, engineering and design work for a stage of residential lot development. This will complement the construction and warranty work to be completed on the industrial commercial lot development in stages 1 and 2 of Goodridge Corners.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Police Service

Asked By: Councillor Cartmell

Question #: 19-111C

Budget Page #:

CM-60-1600 Sec Eqp LC \$5,060
CM-60-1771 Sp Pol Eqp \$6,183
CM-60-1419 Tel LC \$2,130
19-60-1402 Heli Replc \$6,200
CM-60-1765 Veh Replc \$28,194
CM-60-1461 IT Apps Enh \$9,277
CM-60-1460 IT Apps Sus \$14,401
CM-60-1433 IT Infra Sus \$14,226
Total: \$85.67M

Can we reduce overall investments across Edmonton Police Service by 20%? What would be priority spending? What would go unfunded?

Question Answer:

The initial output from RIMS model indicated that EPS required \$105.3 million in renewal funding to maintain current assets. However, due to capacity and financial restraints EPS reduced the renewal needs to \$76.39 million (excluding \$9.277 million for IT Application Enhancements CM-60-1461). This is \$28.91 million lower than identified by RIMS.

A 20% funding reduction is a further \$17.13 million less funding than is required to adequately restore existing infrastructure to an efficient operational condition and extend its service life. If an additional reduction is imposed EPS will be unable to ensure standards are met and would have to re-prioritize all vehicles, equipment and technology to determine where funds would be best allocated. Also, this review would evaluate current lifecycle plans, impact on operating costs (e.g. increased maintenance) and the increased risk to officer safety due to failure of vehicles, equipment, and technology. Further impacts on technology renewal include:

- * Vendor support maintenance cost that will increase significantly*
- * Vendor support could cease altogether creating a high amount of risk*
- * Disclosure ability with Crown*
- * Mapping abilities*

2019-22 Capital Budget Questions By Question

Branch: Edmonton Transit

Asked By: Councillor Cartmell

Question #: 19-112C

Budget Page #: 523

Bus Fleet & Equipment Rehab & Replacement - \$158,158. Can we reduce by 15%? What would be priority spending? What would go unfunded?

Question Answer:

This profile is also addressed in more detail in the response to Question 19-116C. The following specifically addresses this question:

Administration developed a fleet renewal plan to optimize the investment in bus stock, accounting for factors such as reliability and operating cost of maintenance. The ideal replacement strategy included a long-term plan for replacing buses on an annual basis (264 buses over the 4 year budget cycle). As part of the deliberations and balancing of needs undertaken in developing the proposed 2019-2022 Capital Budget, this replacement strategy was reduced to 182 40-foot buses over the four-year cycle.

Further reduction of the Bus Fleet Renewal profile will result in higher maintenance and fuel costs and decreased reliability.

- A reduction of 15% will decrease the number of buses being replaced to approximately 141, an overall reduction of 41 buses over four years.

Branch: Parks & Roads Services

Asked By: Councillor Cartmell

Question #: 19-113C

Budget Page #: 556

Traffic Controller System Conversion. Should this continue in light of availability of smart signals?

Question Answer:

The Traffic Controller System Conversion is a prerequisite to support Adaptive Traffic Signal Controls (Smart Signals). To support innovative transportation solutions and continuous development such as adaptive traffic signal controls, this funding is required to upgrade aging assets as a basis to promote future technological advances for the City's traffic signal system.

Branch: Building Great
Neighbourhoods

Asked By: Councillor Cartmell

Question #: 19-114C

Budget Page #:

Neighborhood Renewal. (Sorry, no page number). Please advise when Rhatigan Ridge would be eligible for renewal, or alternatively, when pavement in Rhatigan Ridge will get some amount of rehabilitation.

Question Answer:

Rhatigan neighbourhood overlay renewal (where roads are repaved and sidewalk panels are treated to eliminate safety hazards) is tentatively scheduled within the next four years (2019-2022), but final scheduling would be subject to more detail design review, available budgets, construction costs and coordination with underground utilities.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Cartmell

Question #: 19-115C

Budget Page #:

Terwillegar Heights Artificial Turf - how much to install turf only, no stands or other amenities?

Question Answer:

Based on the most recent geotechnical evaluation completed for this site, Administration is concerned that the installation of an artificial turf field at Terwillegar Heights District Park would be unfeasible and is not recommended.

As artificial turf fields are meant to service a larger catchment area of the City, other district parks (existing or planned) could be investigated for their potential to accommodate this service within the same geographical area. It is unlikely that these other locations would have similar geotechnical conditions such that construction would be less expensive (typical cost range of \$5-7M per artificial field and another \$10-12M for adjoining facilities; total \$15-19M per site). Depending on the alternative site chosen, it may be possible to reuse the functional design for Terwillegar Heights Artificial Turf, leveraging the work completed to date.

The findings from the Geotechnical Report and Administration's recommendation are recent and further communication with stakeholders is being planned.

2019-22 Capital Budget Questions By Question

Branch: Edmonton Transit

Asked By: Councillor Cartmell

Question #: 19-116C

Budget Page #:

CM-61-3609 Bus Eqp Ren \$5,837
CM-66-3600 Bus Fl Reh \$158,158
CM-61-3616 Bus Safety \$12,228
CM-66-3300 LRT Sig & Ele \$14,997
CM-66-3400 LRV Fl & Eqp \$4,869
CM-66-3000 Transit Comm \$11,414
CM-61-3235 Transit Fac \$4,297
13-66-1234 Transit Smart \$9,817

Total: \$222.2M

Can we reduce by 10%, 15%, 20%? What would priorities be? What would go unfunded?

Question Answer:

The capital budget items being presented reflect high priority transit renewal items. The projects being funded by these profiles represent initiatives that are required to maintain the system in good working condition, and to deliver on safety and security commitments. Reductions to the equipment renewal profiles included as part of question 19-116C could result in a higher rate of system failure with service, safety and security implications for employees and customers. The current average fleet age is 12.2 and industry standard is between 7-8 years.

In terms of the bus fleet renewal profile, Administration developed a fleet renewal plan to optimize the investment in bus stock, accounting for factors such as reliability and operating cost of maintenance. The ideal replacement strategy included a long-term plan for replacing buses on an annual basis (264 buses over the 4 year budget cycle). As part of the deliberations and balancing of needs undertaken in developing the proposed 2019-2022 Capital Budget, this replacement strategy was reduced to 182 40-foot buses over the four-year cycle. Further reduction of the Bus Fleet Renewal profile will result in a greater challenge to Transit to provide a safer, more reliable service that fosters positive customer experiences and ridership growth.

Attachment 1 outlines the effect a 10%, 15% and 20% reduction in bus fleet renewal spending will have on the number of replacement buses and average age of the fleet.

The more tangible impacts resulting from reductions to renewal buses will be:

- a greater share of the operating budget being allocated to fleet maintenance costs as the fleet ages and maintenance costs per kilometre increase (Attachment 2);*
- increased exposure to service interruption risks due to mechanical breakdowns;*
- requirement to carry a larger spare ratio to mitigate service interruption risk;*
- increased probability that older vintage buses, to meet longer service life expectations, will require an additional, unplanned and unfunded, engine overhaul / replacement before the units are retired*
- to delay the introduction of customer service features like air conditioning*
- additional pressure placed on future capital budgets*
- increased risk of requiring emergent vs. planned replacement of buses due to failures on vehicles that can no longer be economically repaired.*

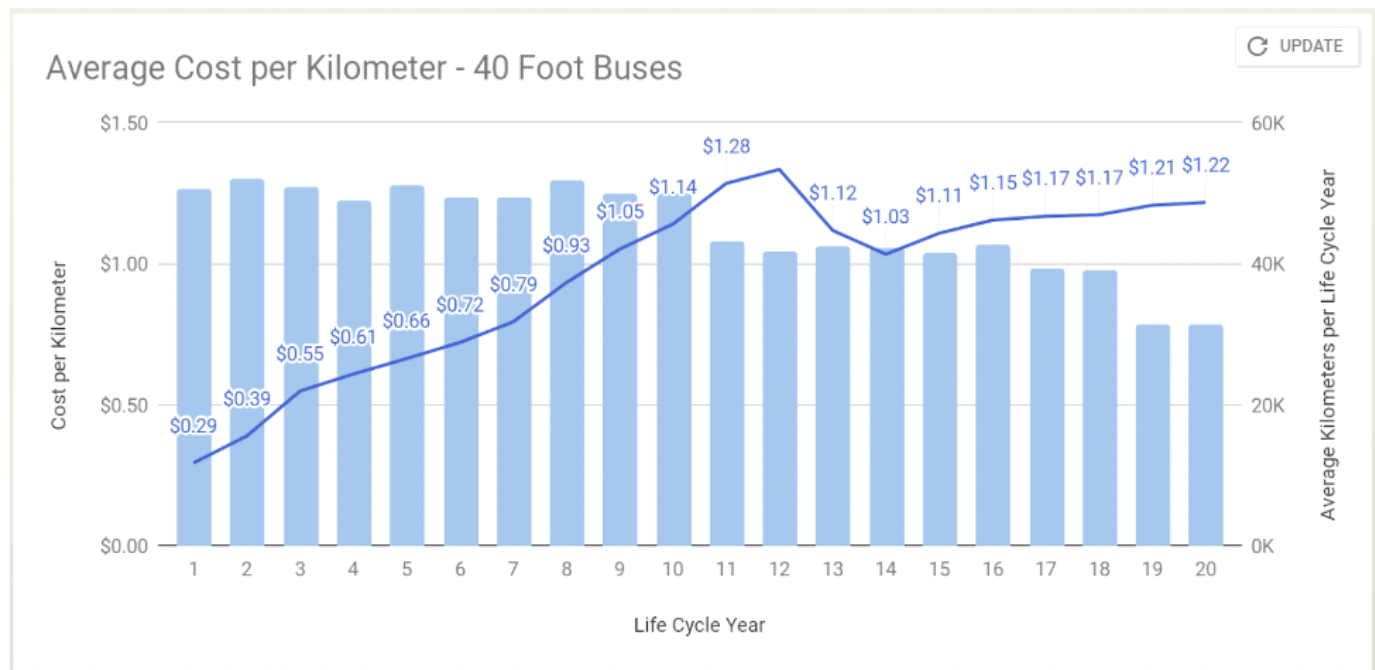
The Smart Fare profile is from the 2015-18 approved Capital Budget. The \$570,000 amount included in the 2019-22 Capital Budget is an administrative adjustment to correctly align funding sources to existing funding agreements. Due to contractual obligations through the regional Smart Fare partnership, we do not recommend including Smart Fare in any reduction exercise.

2019-22 Capital Budget Questions By Question

Attachment 1: Effect of 10%, 15% and 20% Reduction in Bus Fleet Renewal Funding - 40-foot Bus Fleet

Reduction	Total Replacement Buses 2019-2022	Change In Replacement Buses 2019-2022	Average Fleet Age in 2022	Percentage of Fleet over 20 years old
0%	182	0	11.5 yrs	0%
10%	155	-27	12.1 yrs	1%
15%	141	-41	12.4 yrs	3%
20%	128	-54	12.7 yrs	5%

Attachment 2:



2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Dziadyk

Question #: 19-117C

Budget Page #:

What are the City's top 25 arterial road widening projects/priorities and what that anticipated timelines for their completion?

Question Answer:

Based on a high-level review of arterial road widening requirements in the City, the following are the locations that could benefit from additional vehicle capacity. Some of the factors used in establishing this list are present and future traffic volumes, volume to capacity ratios, and collision data. However, the rankings do not take into consideration other contextual factors (i.e. condition rating, leveraging of renewal funding or other grant funding, economic development support, etc.) that would be applied when prioritizing such capital projects.

- 75 Street (98 Ave - 106 Ave)
- Terwillegar Drive (40 Ave - Whitemud Dr)
- 23 Avenue (Leger Gate - Rabbit Hill Road)
- 66 Street (Millwoods Rd. S. to 23 Ave)
- Fort Road (Yellowhead Tr - 66 St) - CITY FUNDED
- 50 Street (Roper Rd - 76 Ave)
- Fort Road (118 Ave - Wayne Gretzky Dr)
- Terwillegar Drive (Rabbit Hill Rd - 40 Ave)
- Whitemud Drive (207 St - 215 St)
- 50 Street (40 Ave - Whitemud Dr)
- 91 Street (Parsons Rd - Ellerslie Rd)
- 153 Avenue (30 St - Fort Rd)
- Suder Greens Drive (88 Ave - Webber Greens Dr)
- Parsons Road (Ellerslie Rd - Ellwood Dr)
- Whitemud Drive (170 St - 178 St)
- 23 Avenue (Terwillegar Dr - Town Centre Blvd)
- James Mowatt Trail (Allard Blvd - 41 Avenue SW) - PARTIAL ARA FUNDED
- 50 Street (19 Ave - 23 Ave)
- Terwillegar Drive (23 Ave - Rabbit Hill Road)- Ellerslie Road (Parsons Rd - Gateway Blvd)
- Ellerslie Road (111 St - Calgary Tr)
- Terwillegar Drive (Anthony Henday Dr - Haddow Dr)
- 50 Street (Ellerslie Rd - 14 Ave SW)
- 50 Street (Ellerslie Rd - Anthony Henday Dr)
- 50 Street (131 Ave - 129 Ave)

Timelines for these projects are based on funding availability.

2019-22 Capital Budget Questions By Question

Branch: Corporate Accounting

Asked By: Councillor Dziadyk

Question #: 19-118C

Budget Page #:

Q2. What will be the cost of interest year over year to the taxpayer? Not debt servicing, specifically the cost of interest.

Question Answer:

Attachment 1 provides two tables to outline interest charges in each budget year. The first table presents the total interest ultimately borne by taxpayers through the tax levy for tax-supported debt for projects that Council has previously approved to date. It excludes interest on self-supporting tax guaranteed debt or self-liquidating debt as these amounts do not impact the tax levy.

The second table presents the estimated interest charges on tax-supported debt for projects that have been presented to Council for consideration in Appendix B of the Capital Budget. The projects addressed in the second table are not currently approved by Council.

2019-22 Capital Budget Questions By Question

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Interest charges - Tax-Supported Debt - Approved Capital Projects	53,682	62,605	65,606	68,672

Figures shown in \$000's

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Interest Charges - Estimated Tax-Supported Debt - Non-Approved Capital Projects*	335	2,668	7,924	14,446

Figures shown in \$000's

*Interest Charges related to currently non-approved debt funded projects identified in table 5, page 26 of Capital Budget

2019-22 Capital Budget Questions By Question

Branch: LRT Expansion & Renewal **Asked By:** Councillor Dziadyk **Question #:** 19-119C
Budget Page #:

Q3. What has Administration budgeted for land acquisition and does this budget include the cost of expropriation for LRT? What is the anticipated cost of expropriation for Valley Line West(current and past expenditure)?

Question Answer:

Currently, the Valley Line West project has approved funding in the amount of \$179.2 million, of which \$150.6 Million is allocated for land acquisition. Actual costs will be determined as properties are acquired and tenant leases are addressed. Any additional funds required can be accommodated within the overall project cost estimate for the Valley Line West when full project funding is approved. Expropriation costs are included in the estimates. To date, Council has approved the commencement of the expropriation process for approximately 40 properties. Notices of Intention to Expropriate have been registered on approximately 15 properties. Administration continues to negotiate with landowners to acquire the properties required for the Valley Line West.

Branch: Blatchford Redevelopment **Asked By:** Councillor Dziadyk **Question #:** 19-120C
Budget Page #:

Q4. Has City Administration conducted an independent appraisal of the Blatchford Lands and Exhibition Lands, to determine what these properties could yield for the City of Edmonton if sold to the private market? If so, what is that amount?

Question Answer:

Previous valuations on the Blatchford lands were completed based on estimated values of zoned and serviced parcels. These were completed to aid in parcel negotiation and proforma creation. A valuation of the raw land value which could establish an estimate of the immediate revenue the City of Edmonton could realize with the disposal of the Blatchford lands was not completed.

Administration is preparing preliminary proforma/feasibility assessment on the Exhibition Lands working towards an assumption that the redevelopment project be self-sustaining. Proforma results vary between current concepts drafted by factors such as: the amount of City lands available for private investment, public investments contemplated and infrastructure moves desired to realize the plan's aspirations to the City's goals and project's guiding principles. Further assumptions on the future of existing facilities, attribution of costs to the project and commitments to site programming will also impact the proforma. These many assumptions support continued refinement of concepts in the preparation of a final preferred land-use plan. Both the City's Real Estate group and an independent market appraisal of the City's land holdings are informing possible yields of land sales associated with concepts. However, a final amount will not be determined until the planning process is complete.

2019-22 Capital Budget Questions By Question

Branch: LRT Expansion & Renewal **Asked By:** Councillor Dziadyk **Question #:** 19-121C
Budget Page #:

Q5. Is there any new funding for planning or construction of the LRT North of Blatchford in this budget?

Question Answer:

There are no funds identified in the 2019-2022 budget to construct this extension. The planning and preliminary design of the Metro Line NW beyond Blatchford to Campbell Road is currently funded by the Public Transit Infrastructure Fund (PTIF), and will be completed in Q3 2019. At that time, the project will reach PDDM Checkpoint 3, with the only outstanding items being the ongoing negotiations with CN Rail for the crossings of their facilities, and development of construction procurement documents.

Branch: Budget Office **Asked By:** Councillor Dziadyk **Question #:** 19-122C
Budget Page #:

Q6. Is the ratio of dollars going to renewal vs. growth in line with previous budgets? How much has that budget departed from previous cycles?

Question Answer:

The Ratio of Renewal vs. Growth in previous capital budgets compared to the proposed capital budget:
a) proposed - 4 years - 2019 - 2022 (\$4.30 billion) Renewal 45% (\$1.95 billion) Growth 55% (\$2.35 billion)
b) approved - 4 years - 2015 - 2018 (\$4.49 billion) Renewal 42% (\$1.88 billion) Growth 58% (\$2.61 billion)
c) approved - 3 years - 2012 - 2014 (\$2.88 billion) Renewal 46% (\$1.32 billion) Growth 54% (\$1.56 billion)

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Dziadyk

Question #: 19-123C

Budget Page #:

Q7. What is the capital cost/user, on a yearly basis, for a: a. Protected Bike Lane, b. Neighbourhood Road, c. Arterial road

Question Answer:

The estimated capital cost per user on an annual basis is noted below (per km of infrastructure). The costs are highly dependent upon site context, the volume of users, the number of passengers per vehicle, distribution of traffic (i.e. number of buses and transit users), and type of infrastructure.

a) Protected Bike Lane: \$0.04 to \$0.07 per user per year

b) Neighbourhood Road: \$0.02 to \$0.06 per user per year (collector roads); \$0.03 to \$0.11 per user per year (local roads); \$0.02 to \$0.05 per user per year (alleys)

c) Arterial Road: \$0.01 per user per year

These estimated costs were derived using a lifecycle approach. The number of users for each type of infrastructure were estimated based on the City's Traffic Impact Assessment Guidelines (for neighbourhood roads and arterial roads), and using the City's bicycle monitoring data (for protected bike lanes).

2019-22 Capital Budget Questions By Question

Branch: Edmonton Public Library

Asked By: Councillor Dziadyk

Question #: 19-124C

Budget Page #:

Q8. The Castle Downs Library is current leased. What is the status of the Castle Downs Library relocation?

Question Answer:

Relocating the Castledowns library branch to a new location was not a consideration at this point in time based on the EPL Board's capital priorities over the next ten (10) years. The lease for the 12,600 square foot Castledowns Branch expires in June 2022, and based on EPL's Library Service Point Development Policy, it was confirmed that the current location serves the community well. Ideally, EPL selects sites that are highly visible, close to or on premium transit and LRT routes, and are readily accessible to pedestrians. The current location is near a major community hub with transit centre, recreation facility and a strip mall enabling EPL customers to easily access library services. During the next capital budget cycle, EPL will review plans and priorities once again, which will include discussion of the Castledowns branch location.

Below is a list of EPL's capital building priorities identified in EPL's 2019-2028 10-year capital plan: (see table)

	<u>Project Description</u>	<u>Timing</u>
1	Lewis Farms Library (as part of City Lewis Farms Community Recreation Centre and Library project)	2019-2022
2	Riverbend Library Renewal (design and construction)	2019-2026
3	Woodcroft Library Renewal (feasibility / design / construction)	2019-2022
4	Heritage Valley Library (design - as part of City Multi-use Facility)	2019-2026
5	Pilot Sound Growth (McConochie neighbourhood as part of a City multi-use facility)	2019-2026
6	Whitemud Crossing Branch (feasibility - assess lease versus build to secure best value)	2019-2026

2019-22 Capital Budget Questions By Question

Branch: Parks & Roads Services

Asked By: Councillor Dziadyk

Question #: 19-125C

Budget Page #:

Q9. Is the City currently working with any major automaker to see how smart technology will integrate into the traffic grid? How much are we spending and how much are those partners spending?

Question Answer:

Currently, the City does not have an active partnership with any automakers; as a result, there is no partnership expenditure by the City.

The City of Edmonton has partnered with the University of Alberta and the Province of Alberta on Canada's first connected vehicle test bed - ACTIVE AURORA that partners with General Motors (GM). This project currently includes 42 advanced roadside equipment units in Edmonton that establish wireless connections with on-board equipment in passing test vehicles. Among other things, this project will help the City to better understand how smart connected technology can be integrated into our transportation system and the benefits it can offer.

Branch: Budget Office

Asked By: Councillor Dziadyk

Question #: 19-126C

Budget Page #:

Q10. Is the federal gas tax dealt with as separate revenue source and attributed to specific projects or is handled as general revenue?

Question Answer:

The Federal Gas Tax Fund (Capital Budget p. 16) is dealt with as an unconstrained source of funding, the same category as Pay-As-You-Go or MSI as it is available to fund a various types of Capital Projects and does not require an application submission. Over the next four years we will receive \$216.2 million and of this \$43.6 million annually is required for South LRT debt servicing. Administration has recommended that all the remaining available Federal Gas Tax funding of \$42.8 million forecast for 2019-2022 be used to fund Profile CM-66-3600 Bus Fleet & Equipment Rehab & Replacement (Capital Budget p. 523).

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Dziadyk

Question #: 19-127C

Budget Page #:

Q11. With the proposed budget, will our operating and capital expenditure be in the 2-4% growth range?

Question Answer:

In looking at the proposed 2019-2022 Operating Budget the expenditure growth from 2018 to the proposed 2019 is 3.2%, well within the range of 2% to 4% growth. This growth equates to a \$93.4 million increase in the expenditure budgets across all civic departments, including the boards and commissions. It is important to note that this increase in expenditures does not require an additional \$93.4 million to be collected from the tax levy. The proposed 3.3% tax rate increase for 2019 generates an additional \$53.5 million. The remaining \$39.9 million required to support the increased expenditures is generated from user fee, fines, permits, transfers from reserves and additional corporate revenues.

The proposed 2019-2022 Capital Budget includes expenditures of \$4.3 billion over the four years, of which \$2.0 billion or 45% of the budget total is related to renewal of existing infrastructure, and the remaining \$2.3 billion or 55% of the budget total is related to new infrastructure required to support an evolving and expanding city. Approximately \$1.8 billion of this growth relates to projects approved in previous budget cycles, and includes large transformative projects such as Valley Line Southeast LRT and Yellowhead Freeway conversion. Due to the nature of capital and the one-time investment required in developing new infrastructure that supports ongoing growth of the city over a long term horizon, a direct correlation to an annual growth factor is difficult to calculate and is therefore not available.

Branch: Infrastructure Planning & Design

Asked By: Councillor Dziadyk

Question #: 19-128C

Budget Page #:

Q12. Often Council hears about an "infrastructure deficit" stemming from past budgetary decisions. What is the valuation of the current deficit and when will Edmonton be "at par"?

Question Answer:

The term "Infrastructure Deficit" has been used by some National organisations in the past to help inform debate on issues related to infrastructure investment (or lack thereof). Administration does not use this term or track its "Infrastructure Deficit", as there is no concrete or universally accepted definition as to what it means, or how it should be calculated. Instead, an asset management system is used to assess, understand, prioritize, and program renewal work for the City's \$29.2 Billion asset inventory. Ongoing, sustainable investment in renewal is required now and will be into the foreseeable future. The recommended funding for renewal in the Capital Budget 2019-22 amounts to \$1.9B (or 91%) and will allow the City to "hold the line" on its overall asset condition without any increased risk to current operations.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Dziadyk

Question #: 19-129C

Budget Page #:

Q13. Has Administration created a capital profile for improvements on the Castle Downs District Park, such as accommodations for the Seahawks Football Organization? If so, what are costs and timelines to complete this project?

Question Answer:

Based on current operations, the Seahawks occupy storage space in the recently constructed Castle Downs Pavilion. The Seahawks have requested an artificial turf field, however, the two approved artificial turf field priorities with capital funding for planning and design are Terwillegar and Londonderry. Until those fields are complete and utilization of artificial turf city-wide is reassessed, plans for additional fields are not currently being investigated.

Enhanced upgrades (above city base funding levels for park development) that the Seahawks have expressed interest include lighting, bleachers and possibly a score clock. These amenities could be considered through a "Community Led Construction Process" where the sports group could apply for grants from the City. Administration is committed to continue working with the Seahawks and other community organizations to explore options to further meet their needs.

Branch: Community & Recreation Facilities

Asked By: Councillor Dziadyk

Question #: 19-130C

Budget Page #:

Q14. With Administration not recommending enhancement to Clarke Stadium to facilitate the needs of F.C. Edmonton, can you explain the impacts this will have on soccer in Edmonton including our bid for FIFA 2026?

Question Answer:

Administration is recommending that funding be provided to complete design work to update Clarke Stadium to enhance the facility. Once this work is completed, Administration would be in position to return to Council with a Supplemental Capital Budget Adjustment with a clear scope of work and an appropriate cost estimate.

It is important to note that this work will not impact our bid to be named a candidate city for the 2026 FIFA World Cup as Clarke Stadium has not been identified in the bid as a training site, practice facility or team base camp. The venue will be used during the event however it will not be used for competition purposes.

2019-22 Capital Budget Questions By Question

Branch: Community & Recreation Facilities

Asked By: Councillor Dziadyk

Question #: 19-131C

Budget Page #:

Q15. Administration has recommended to not fund turf enhancements at Londonderry. With the current demand for this type of facility on the North Side how did Londonderry not meet the City's test for funding?

Question Answer:

The North Side has two artificial turf fields at Clareview and Clarke Stadium. The South Side has Mill Woods Artificial Turf, and the West End has JP Bowl which is currently undergoing a grandstand replacement. Given that the existing artificial turf facilities have capacity to accommodate additional bookings, Administration has not advanced these projects as a priority at this time.

Branch: Edmonton Police Service

Asked By: Mayor Iveson

Question #: 19-132C

Budget Page #: 605

Were any alternative options for this facility considered? Are there partnership opportunities with existing facilities or with other partners like the RCMP?

Question Answer:

Private range use has been considered and the EPS utilizes private ranges for some carbine training. In general, private ranges prefer not to have EPS use as EPS use requires no public access during training. Segregation of police use from public use is important to maintain privacy of certain techniques and weapon systems, as well as to ensure safety of members from individuals that may want to harm or pose other risks to police. Also, generally, there has been a closure of private ranges versus actual capacity for what the EPS would require.

** Private range use: Sherwood Park Fish and Game Range.*

** Recent closure: Spruce Grove gun club,*

** Other Edmonton ranges we have made inquiries to: Phoenix range and Wild West. Both ranges were insufficient and could not meet EPS needs.*

There are many negatives to use private ranges, see above, versus having control of a firearms range dedicated to law enforcement purposes.

In the past the EPS has attempted to cooperatively build partnerships that have involved facilities with the RCMP and with the Alberta Sheriffs. In every case this has not worked due to the bureaucratic processes and complexities of aligning funding and ownership with multiple levels of government. Such attempts have resulted in significant delays that impact the EPS' ability to meet the needs of our community.

In this case it would be ideal for the EPS to work with both the RCMP and the Alberta Sheriffs on integrated training, specialized training, and sharing of space. However, in order to meet the current and future needs of the EPS, operation and management of this facility should remain with the EPS due to the current and projected size of our organization, the anticipated growth of our city, and the need to safeguard the EPS as firearms capacity needs of other agencies also increase into the future.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Mayor Iveson

Question #: 19-133C

Budget Page #: 631

Line 67, Are there efficiencies to combining this profile with the 50th Street CPR Grade Separation? If so, what cost savings both in design and construction might be realized?

Question Answer:

There are anticipated efficiencies in integrating the work with the 50 Street CPR Grade Separation. Efficiencies would be realized first by minimizing construction impacts from multiple separate projects over multiple budget cycles, and secondly from cost efficiencies for reduced mobilization costs, coordinated utility relocations, and reduced throw-away costs for transitions. Should funding not advance for these additional projects, Administration is continuing to ensure the design work for the CPR Grade Separation takes into account the future road widening both within the Sherwood Park Freeway bridge replacement and extending south to 76 Avenue.

Branch: Building Great Neighbourhoods

Asked By: Mayor Iveson

Question #: 19-134C

Budget Page #: 488

As per my public comments, what would be the impact on the funding profile for alley renewal if we moved to a neighbourhood improvement levy formula to pay for this program?

Question Answer:

If the 50/50 Local Improvement funding formula was introduced, the levy associated with the program would also be reduced by approximately 50%. Once fully funded, the annual levy amount would be reduced from \$22.3M to \$11.2M (1.2% to 0.6%). This cost does not include additional overhead that would be required for administration of the Local Improvement. In the 2019-2022 budget cycle, the reduction to the proposed Capital Profile CM-25-0000 would be \$27.9 M (from \$635.1 M to \$607.3 M). For a typical household, the cost for the 50/50 LI would be an additional \$220 per year over 10 years.

2019-22 Capital Budget Questions By Question

Branch: Fleet & Facilities Services **Asked By:** Mayor Iveson

Question #: 19-135C

Budget Page #: 243

[243-250] Given the discussions over the future of waste management we are currently undertaking, how much could we save by putting a hold on the purchase of new waste management trucks?

Question Answer:

Please note: CM-25-1001 does not include vehicles for Waste Services. The replacement of Waste Services vehicles is included in profile CM-81-2048.

Waste Services has a fleet of over 400 units including vehicles and equipment used to collect waste and recyclables and process these materials at the Edmonton Waste Management Centre. Capital profile CM-81-2048 recommends replacing and refurbishing fleet units reaching the end of their useful life within the upcoming 2019-2022 capital budget cycle.

Deferring the replacement of these units will advance the average age of this fleet. An older fleet typically has higher operating costs and lower reliability than a younger fleet. For example, a Tandem Collection Truck has an operating expense of \$0.74/km in its first year. This increases to \$4.59/km by the tenth year. Assuming the approximate average 2017 usage of 12,500 km per unit, a truck in the final year of life would cost \$48,125 more to operate than a unit in the first year of life. Therefore, any capital cost savings, through reduced amortization costs, is offset by higher operating costs.

Waste Services is proposing changes to how residential waste is collected which will result in impacts to the collection vehicles fleet. This change will be recommended to Utility Committee and Council through a Business Case and the 2020 Rate Filing, and will factor in results from public engagement.

Of the total fleet, 94 units (October 31, 2018) are waste collection vehicles; 38 of these units are scheduled to be replaced over the next four years. The new units are manufactured to support automated collection, which is required for garbage collection in carts. This configuration is now standard in the waste collection vehicle manufacturing industry and will be well aligned with our strategy going forward.

While the new units can support automated collection, an automated collection arm will not be installed. This allows for manual collection (our current program) to continue for the time being. If proposed program changes are approved, the automated waste collection arm can be retro-fitted in the existing units.

Waste Services currently schedules 10 collection units for replacement each year to ensure a smooth replacement cycle and average age. Replacement can be deferred until a decision is made on the proposed program changes. For example, 10 collection units are scheduled to be replaced in 2019 totalling approximately \$3.5 million. If a decision is made on proposed program changes in 2019, this would defer the replacement of these units from 2019 to 2020. However, deferring this scheduled replacement is not necessary or recommended, as detailed above. Only 14 collection vehicles were replaced during 2016 and 2017.

2019-22 Capital Budget Questions By Question

Branch: Corporate Strategy

Asked By: Mayor Iveson

Question #: 19-136C

Budget Page #: 287

This profile is suggested to be funded via the Planning and Development reserve. If that's the case, does it count against the tax levy in any way? Why is there a 'funding request' for this?

Question Answer:

There is no tax levy impact as the profile is to be funded by the Planning and Development Reserve. The capital budget document requests Council approval to commence with all city-led capital projects, funded by various funding sources.

2019-22 Capital Budget Questions By Question

Branch: Real Estate

Asked By: Mayor Iveson

Question #: 19-137C

Budget Page #: 346

Can you provide further detail as to the strategy behind acquiring and developing more land? Why is this necessary?

Question Answer:

The City's Land Development Policy (C511) outlines the strategic intent of the City's land development activities, which help to advance city building objectives in a self-sustaining manner that returns a financial dividend to the City. Through its land development program, the City is able to actively promote initiatives related to Council priorities such as climate change adaptation, revitalization, affordable housing and residential densification without drawing on the resources available for other City projects.

Continuing to purchase unserviced Industrial-Commercial-Investment (ICI) land is a requirement of Policy C511, which commits that Enterprise Land Development (ELD) will ensure a three year supply of serviced industrial land. Supplying the market with serviced industrial land helps to promote regional prosperity as it ensures that there are opportunities for industry and business to locate and invest in Edmonton. Providing "shovel ready lots" adds choice to the market and allows industry and businesses to enter the market quickly, instead of incurring the delay and cost of developing raw land. Without an adequate supply of shovel ready land, there is a risk that investors will choose to locate outside the City where a suitable shovel-ready lot is available.

ELD's ICI land development activities also often fill an important role of extending servicing into an area where development might otherwise be delayed because of prohibitive front end servicing costs. By investing in front end servicing, the City can help to catalyze additional private development, at which point the City is able to recover costs related to investments in front end infrastructure.

As serviced ICI land is developed, brought to market and sold, ELD must purchase additional raw land to ensure a three year supply of shovel ready land is available for sale in support of the overall economic development objectives of the City.

The Industrial-Commercial-Investment (ICI) Land Acquisition profile (CM-16-2015) is intended for the future purchase of ICI lands. This is self-funded capital from ELD retained earnings. The capital budget request is intended to allow the City to purchase land to facilitate orderly and coordinated development of existing holdings and to replenish ELD's supply of unserviced ICI lands.

While land development activities, including acquiring land, are primarily based on financial return on investment (as required by Policy C516B and C511), the analysis undertaken in deciding whether and when to acquire more land for ICI development involves a detailed analysis of the specific offering and includes determining:

- whether land acquisition is needed to support the orderly, coordinated and cost effective development of existing holdings and adjacent land holdings;*
- if City investment can be leveraged with other partners to front end infrastructure; and*
- whether a three year supply of industrial land is maintained.*

ELD currently holds approximately 450 acres of ICI land with five commercial lots (along Gateway Boulevard) and one industrial lot (in Rampart Industrial) currently for sale.

ELD is planning to develop approximately 78 acres of serviced ICI land over the next budget cycle. ELD anticipates the sale of 38 acres of this ICI lot inventory within the same budget cycle, including a commercial lot in Goodridge Corners, and industrial lots in Rampart Industrial, Roper Industrial and

2019-22 Capital Budget Questions By Question

Southeast Industrial. The remaining inventory of serviced ICI lots will be brought to market in the 2023-2026 budget cycle

Branch: Real Estate

Asked By: Mayor Iveson

Question #: 19-138C

Budget Page #: 361

Can you provide further detail as to the strategy behind acquiring and developing more land? Why is this necessary?

Question Answer:

The City's Land Development Policy (C511) outlines the strategic intent of the City's land development activities, which help to advance city building objectives in a self-sustaining manner that returns a financial dividend to the City. Through its land development program, the City is able to actively promote initiatives related to Council priorities such as climate change adaptation, revitalization, affordable housing and residential densification without drawing on the resources available for other City projects.

The Residential / Mixed Use Land Acquisition capital profile will leverage self-funded capital from ELD retained earnings to purchase land to facilitate orderly and coordinated development of existing holdings in a manner that continues to advance a number of City objectives, including:

- Ensuring an ongoing supply of lots available to the general public and independent small builders, which helps to preserve housing affordability by enabling owner-built, sweat-equity projects and enhances market competitiveness by supplying lots to independent small builders who drive market innovation and competitiveness through small-batch production and custom builds*
- Supporting residential densification by aligning to City density targets and incorporating secondary suites through lot sale conditions*
- Demonstrating leadership in neighbourhood design that aligns with City objectives (such as built forms that support walkability and active transportation)*
- Supporting climate change adaptation through lot sale conditions that require homes to be solar-ready and built to a BuiltGreen or equivalent energy efficient standard*

Continuing to purchase unserviced land for residential / mixed use development is required to continue development operations, meet the goals of Policy C511 and C516, and allow ELD to continue as a self sustaining enterprise. ELD's continued operation and development of serviced residential lots provides the City with an additional revenue source, promotes the City's strategic goals and allows the City to guide residential greenfield development as a landowner (in addition to its role as a land regulator).

As residential / mixed use land is developed and sold, ELD requires new land to replenish the depleted supply. ELD also anticipates that specific additional land purchases (or exchanges or sales) will be needed in the next budget cycle to coordinate the orderly development of residential lands already in development, particularly in the Schonsee neighbourhood. In the final year of the budget cycle, ELD may begin negotiations to replenish the depleted supply of residential land sold during the 4-year cycle. Given the dollar amount of any such purchase, ELD would need return to Council for approval before proceeding.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Henderson

Question #: 19-139C

Budget Page #: 628

#18 QE park phase 3. CM 10-1010. We've been getting questions about the bike park that is part of the plans but it is not clear from the information in the budget book where we are in terms of either phase 2 or 3. Could you please provide more detail on where the QE project is at, what is completed, what is funded and what is unfunded and the costs and timelines for what is yet to be completed.

Question Answer:

Queen Elizabeth Park Phase 1 and 2 have been previously funded and are complete. Queen Elizabeth Park Phase 3 is currently at checkpoint 2. To advance the project to complete Planning & Design (checkpoint 3) the cost is estimated at approximately \$380,000. The estimate to complete the detailed design and construction phases (to checkpoint 5) for Queen Elizabeth Park phase 3 including the bike park, is \$3.4M (-30%/+50%).

Branch: Infrastructure Planning & Design

Asked By: Councillor Henderson

Question #: 19-140C

Budget Page #: 629

#24 Rollie Miles leisure Centre. CM - 30 -3030. Could you please provide the profile for the project and in particular the dollar figure to move it forward to the next stage of planning and design.

Question Answer:

The Rollie Miles Leisure Centre project is currently at checkpoint 2. The next phase of schematic design and design development (checkpoint 3) for the Rollie Miles Leisure Centre is estimated at \$2.3M. Should a funding source be secured the addition of \$2.3M in funding to advance the development of Rollie Miles Leisure Centre would be added to CM-10-1010 Facility Planning & Design.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Henderson

Question #: 19-141C

Budget Page #: 629

#30 Strathcona 55 Plus Seniors Facility. CM 20-3030. The current building is in a serious state of disrepair and is senior unfriendly due to its multi level set up with stairs and no elevator. GEF is interested in doing a collaborative project with us to rebuild the centre as part of their rebuild of their residential building next door. Can you please provide more information on the current state of that project and what would be needed to move it forward to the next stage of planning so that we do not lose the opportunity for the partnership opportunity.

Question Answer:

The existing building is in Fair condition and based on the latest Building Condition Assessment has approximately \$500k of deferred maintenance. It would likely be addressed as a renewal priority in 2023-26 (subject to funding). The primary issues/concerns with this building are related to how it was originally designed and its current use/operation as a Seniors Centre (not congruent). A business case would be required to investigate possible options for a new building, functional adaptive reuse of existing building or a partnership with another facility or site would be the first step required before advancing any capital funding. This project is essentially at checkpoint 0. This work would eventually be considered "growth, and not "renewal" (aside from the potential capital cost avoidance of \$500k).

Administration is working with the Strathcona 55+ Seniors and Greater Edmonton Foundation to initiate initial work on a business case that coordinates efforts of both community organizations. Administration expects this will be completed by the end of 2019.

Branch: Infrastructure Planning & Design

Asked By: Councillor Henderson

Question #: 19-142C

Budget Page #: 630

#52 101 ave (76st to 50 st) Streetscape CM -20-2020 Please provide more detail on the costs to move the project forward into the next stage of design so that it is ready for the arterial road rebuild.

Question Answer:

The project is currently at checkpoint 1. The next phase of concept planning and design (checkpoint 3) for 101 Avenue (76-50 Street) is estimated at \$2.0M. 101 Avenue is not currently programmed for arterial rehabilitation within the next 4 years (2019-22).

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Henderson

Question #: 19-143C

Budget Page #: 631

#74 CP rail shared use path Strathcona and Garneau. CM 20-2020. Can you provide the information on the costs and profile detail to move this project forward as part of the south side core bike grid as was approved by the motion from committee. My understanding is that the work has been done to add that detail to the profile.

Question Answer:

Advancement of this work with the Southside Core Bike network can be facilitated by the addition of funds as follows: CM-40-4040 for planning and design (estimated at \$50,000) and CM-40-9000 for delivery (estimated at \$1.85 million). The total cost is estimated to be \$1.9 million (-30%/+50%).

Branch: Infrastructure Planning & Design

Asked By: Councillor Henderson

Question #: 19-144C

Budget Page #: 631

#79-80 My understanding is that we are anticipating a rebuild of Sask drive from 109st to 99st including Duggan Bridge. The two projects mentioned would improve the multi use trail from 104st to 109st and 99st to 104st although they are referenced as bike network improvements. What are the implications of leaving the two projects unfunded given that planning is continuing on the rebuild of Duggan Bridge and Saskatchewan Drive itself.

Question Answer:

There are advantages in terms of construction staging and cost to being able to bundle the work in terms of the road rehabilitation planned for Saskatchewan Drive (2019-22) as well as the Duggan Bridge Rehabilitation (2023-26). There is a Shared Use Path that exists at this location, however, it is currently substandard in terms of its size (too narrow). Widening of the shared use path between 99 Street and 104 Street should be coordinated with roadway rehabilitation due to modifications required to the existing retaining walls along the river valley. If the widening of the shared use path between 99 and 104 Street was not funded, Administration would anticipate deferring the rehabilitation until a later date.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Nickel

Question #: 19-145C

Budget Page #:

Q1) Please break out the capital profiles into the following three categories:

- * Ongoing renewal profiles
- * New renewal profiles
- * New capital Profiles

Q2: For all ongoing capital profiles I would like the following metrics provided*:

Planned value (PV)
Actual Costs (AC)
Earned Value (EV)
Cost Variance to Date (CV)
Cost Performance Index (CPI)
Cost of Managing the Processes
Planned Hours of Work vs. Actual Time Spent
Overdue Project Tasks/ Crossed Deadlines
Schedule Variance (SV)
Missed Milestones
Percentage of Tasks Completed
Resource Utilization

*Note: Please see appendix 1.0 for all calculation definitions.

https://drive.google.com/open?id=1QmhK7fJt2gT_IAKG2p6Cb6Yyg8vdYyQF5Glcj-dLGj4

Question Answer:

1) Please refer to the index provide in Appendix A for the following summary of capital profiles:

Ongoing (Previously Approved) Renewal - pg. 88
Ongoing (Previously Approved) Growth - pg. 91
New (Recommended) Renewal - pg. 89
New (Recommended) Growth - pg. 93

2) Administration provides quarterly financial updates to Council through its Capital Financial Update reports on the significant capital profiles for tax-supported, enterprise and utility operations including results and projections against the approved 2015 to 2018 Capital Budget beginning in the second quarter of each year. The report includes the status of significant capital profiles against council approved budget and the approved completion date. It also includes the profile-to-date actuals and the percentage of the profile that is estimated to be complete based on a percentage of the total projected profile costs.

Administration also provides quarterly project performance updates on all capital projects that are managed by the Integrated Infrastructure Services Department through Building Edmonton. Building Edmonton is a publicly available, web-based map that reports on a project's holistic health including scope and schedule in addition to financial performance.

At this time, Administration utilizes the metrics noted as key indicators of project and profile health and does not currently have the capacity or resources within the timeframe available to report on the other metrics requested.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Cartmell

Question #: 19-146C

Budget Page #:

Please provide scores of all new projects against the City's prioritization criteria.

Question Answer:

In developing the 2019-2022 Capital Budget, Administration reviewed over 200 potential growth capital projects for consideration in this budget cycle. Of those, the growth projects that were assessed against the prioritization criteria and deemed to be relatively high priority were further refined and reviewed in a corporate-wide peer review. Below is a list of projects that emerged as high priority through this process.

It is important to acknowledge that the assessment and evaluation for prioritization is not quantitative or absolute. It's a relative qualitative assessment that reflects the diversity of potential capital investments ranging from fleet, facilities, transportation, and open spaces. As such, the resulting "scores" are helpful in narrowing the focus of evaluation from a 10-year outlook to a 4-year capital budget.

Administration notes that while the initial prioritization is an important step in establishing an understanding of potential growth projects best aligned with Council's Priorities, this process is only one of the ways that Administration uses to inform its list of growth projects that are recommended in the Capital Budget. Additional considerations or filters are also applied to rationalize the recommendations included in the budget. These considerations become particularly important given the limited growth funding that is available for new projects. These include considerations for mandated health and safety provisions or changes to legislative requirements, assessing opportunities for integration with renewal projects, coordination with the Province on provincially-led initiatives such as funded school sites or highway projects, as well as leveraging funding from other orders of government or partners.

2019-22 Capital Budget Questions By Question

Projects Initially Scored as High Priority	Profile Number(s)	Reference
Active Transportation	CM-20-2020, CM-99-9000	Appendix A - pgs 496, 590
Affordable Housing Acquisition	19-90-4100	Appendix A - pg 335
Affordable Housing Land Acquisition	19-90-4100	Appendix A - pg 335
Affordable Housing Social Housing Site Redevelopment	19-90-4100	Appendix A - pg 335
Affordable Housing Surplus School Site Acquisition & Development	19-90-4100	Appendix A - pg 335
Ambleside Integrated Site	19-10-1013	Appendix B - pg 601
Charlesworth Fire Station	CM-10-1010	Appendix A - pg 140
Edmonton Soccer Association South Soccer Centre Expansion	17-21-1000	Appendix B - pg 603
Ellerslie Library Branch	N/A	Unfunded - N/A
E-Park Service Expansion	N/A	Unfunded - N/A
Fire Fleet Growth	19-70-0020	Appendix A - pg 227
EPS Firearms Facilities	19-60-1376	Appendix B - pg 605
Growth Buses	N/A	Unfunded - N/A
Heritage Valley (South) Library Branch	N/A	Unfunded - N/A
Inclusionary Housing	19-90-4100	Appendix A - pg 335
Information Technology - Infrastructure Growth, Information Technology - Spatial Applications Growth	19-18-1902, 19-18-1901, 19-18-1903, CM-18-1514, CM-18-1517	Appendix A - pgs 254, 257, 264, 274, 283
Lewis Farms Community Recreation Centre and Library Phase II	15-21-5785	Appendix B - pg 612
Neighbourhood Revitalizations	CM-40-9000, CM-40-4040	Appendix A - pgs 387, 391
North Branch Library (Pilot Sound)	N/A	Unfunded - N/A
Operations & Intelligence Command Centre	N/A	Appendix C, pg 632
Police Information Technology - Applications Enhancement	CM-60-1461	Appendix A, pg 295
River Crossing/West Rosedale (Design)	19-17-0601	Appendix A, pg 453
River Crossing/West Rosedale (Development)	N/A	Appendix C, pg 633
River Valley Alliance	CM-30-3131	Appendix A, pg 456
Riverbend Library Relocation (TBD)	N/A	Appendix C, pg 628
Riverside Golf Course Pavilion and Clubhouse	N/A	Appendix C, pg 628
Strathearn Heights TOD (Transit Oriented Development)	N/A	Appendix C, pg 631
Woodcroft Library Expansion	N/A	Appendix C, pg 629
Shared Park Development Program	CM-17-1010	Appendix A, pg 471

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-147C

Budget Page #:

What was the planning rationale for not including an LRT station near 40th avenue and Harry Ainlay when the Capital Line was extended south to Century Park? Also how do neighbourhood scale stations such as this increase ridership and achieve a better transportation mode share?

Question Answer:

The Capital Line LRT was built during a planning era of "suburban-style" LRT design and operations where stations are spaced further apart, and the service is primarily focused as an extension of the overall bus transit service. The current planning approach for LRT is "urban style" where stations are more closely spaced, and although it continues to provide an extension to the bus transit service, it also is planned and designed to better integrate within the communities by connecting residents directly by walking and biking.

2019-22 Capital Budget Questions By Question

Branch: Parks & Roads Services

Asked By: Councillor Walters

Question #: 19-148C

Budget Page #: 85

[85, 601) Which Parks and Roadway Maintenance yard(s) serves the south and southwest neighbourhoods outside of the Anthony Henday Freeway? I understand there is some analysis underway to determine the future deployment of parks and roadway resources, can you please share any information you can about this analysis including any information on operating cost benefits of constructing the new Ambleside District Maintenance Yard described in CP 15-28-4200. Can you also describe the precise relationship between 15-28-4200 and 19-10-1013. I also note no mention of snow and ice control equipment in these profiles. Where will snow and ice control be deployed from in the coming years to serve the South and Southwest neighbourhoods outside of Anthony Henday Drive and please provide any cost benefit analysis on this if you can.

Question Answer:

RELATIONSHIP BETWEEN PROFILES 15-28-4200 and 19-10-1013:

Capital Profile 15-28-4200 covers work completed for planning the Ambleside site, including the complete site masterplan and schematic design of the yard and facilities. Under this profile, a fueling station will also be completed by Q1 2021. Capital Profile 19-10-1013 aligns the future phases of development of the Ambleside Integrated Site with the Project Development & Delivery Model (PDDM). Building on work completed in the capital profile 15-28-4200, further design work will continue on the Phase 1 facility and yard and advance the project to PDDM Checkpoint 3 at which time Administration will request funding for the delivery of Phase 1.

CURRENT COVERAGE

Service yards servicing south and southwest neighbourhoods outside of the Anthony Henday: There are four yards primarily servicing south Edmonton, augmented by contracted work. Below is a list of these yards:

- SW yard (6609 Gateway Blvd): Roadway Maintenance
- O'Keefe yard (10545 Fort Hill): Parks
- Ambleside satellite yard (14320 Ellerslie Rd SW): Parks
- Southeast yard (9120 37 Avenue): Roadway Maintenance

ANALYSIS:

- Current state analysis is underway to build a more holistic picture of deployment and utilization of existing Parks and Roads service locations to optimize service delivery in the future.

- Service yards located to maintain a 30-minute travel zone for equipment.

- Ambleside was identified as a priority southwest district site to improve service delivery coverage.

December 2, 2013, Council approved \$600,000 to develop an interim Parks Operations service yard (13-28-4010) in Ambleside.

- Ambleside is a temporary service yard that is being used as a satellite location and storage for turf, horticulture, vegetation management, and forestry. Approximately 80 staff deploy from this location during the summer season. It is used for outdoor storage year round, but the interim facilities (trailers) do not support year-round deployment.

The new facility will incorporate roads maintenance and operations activities to service growth and anticipated annexation in this area.

OPERATING COST BENEFITS

Due to continually changing program for the site, the efficiency estimates are still being worked upon however, some of the operations cost benefits include:

- Savings in travel times for staff travelling between sites and field locations (example: approximately \$73,612 in annual operating savings for turf mowing and \$77,550 in annual operating savings for

2019-22 Capital Budget Questions By Question

vegetation management & horticulture)

- 15-20% reduction in shift starting travel for winter/summer roads maintenance equipment.

The following intangible savings have also been identified:

- Improved timeliness and quality of service
- Improved perception of service delivery
- Improved employee engagement and experience
- Improved OH&S

SNOW AND ICE DEPLOYMENT

These profiles are only for planning, design and construction and do not include any request for operational needs like Snow and Ice Control (SNIC) equipment.

SNIC policy will direct service levels which in turn will determine equipment need. New equipment requests, if required, will be brought forward via the SCBA and/or capital budget process in future years. Upon site completion, deployment of SNIC program for these areas will be from the new Ambleside site. In the interim, deployment of SNIC equipment will be managed from the above-listed current coverage locations.

2019-22 Capital Budget Questions By Question

Branch: Real Estate

Asked By: Councillor Walters

Question #: 19-149C

Budget Page #: 350

How have Capital Profiles CM-16-2010 and CM 16-1015 (Industrial- Commercial- Investment Land Development) been evaluated against Council's current 2050 Vision and goals? How do these land acquisitions align with regional goals established by Edmonton Global? When was the last time policy C511 was reviewed?

Question Answer:

Enterprise Land Development (ELD) continually reviews its activities, including those described in CM-16-2010 (Industrial Commercial Investment (ICI) Land Development) and CM-16-2015 (ICI Land Acquisition) to ensure alignment with City Council's goals, including Council's 2050 Vision and 10-year Strategic Plan.

Policy C511, Land Development Policy, was adopted by City Council on July 12, 2005 and was last reviewed by City Council when Policy C516B, Land Enterprise Dividend Policy, was adopted in November 2008. As part of the City's Land Governance Strategy, Administration will be completing a policy review and advancing a discussion with City Council regarding possible updates to policy C511 and C516B in 2019.

ELD's ICI land development activities contribute to regional prosperity by ensuring a three year supply of serviced industrial land is available to support industry and businesses in choosing to locate and invest in Edmonton.

Unlike private developers, who may forgo an investment based on market conditions, the City is able to ensure a continuous supply of serviced ICI land is ready for investment at all times, which can also help to facilitate a more rapid recovery from years with slow rates of industrial land absorption. Sometimes this includes extending cost prohibitive servicing to catalyze additional private development when the economic climate poses a risk that would otherwise delay investments by adjacent land owners.

By selling 50% of its residential lots to small builders and individual homes buyers, the program supports and promotes local small businesses who may not be able to fund the number of projects required to service a significant portion of a residential lot subdivision otherwise. These small builders help to support overall market competitiveness, fulfill the demand for custom homes and are often the source of innovation that drives new building practices.

ELD's ICI land development activities support climate resilience by requiring buyers of commercial and industrial lots to achieve Leadership in Energy and Environmental Design (LEED) Certification in their built form and preserving and enhancing the existing and constructed natural features within development neighborhoods. The City's land development activities in Rampart Industrial contribute to climate resilience through reduction of the carbon footprint, treatment of storm runoff, and enhancement of natural areas.

These activities are a significant example of the City's commitment to advance its own energy transition efforts and lead by example in its own civic operations. By setting low carbon standards in sales agreements for City-developed lots, the City influences private building practices and helps to build community capacity to advance all of Edmonton to a low carbon future.

These Capital Profiles also contribute to Edmonton Global's mission of attracting "significant investment and quality jobs to the Edmonton Metropolitan Region" by helping to ensure there is an adequate supply of "shovel ready" industrial and commercial sites available for local, regional and foreign direct investment; contributing to diversifying the market so that industry and businesses can enter at the vertical development stage, instead of the raw unserviced land stage.

2019-22 Capital Budget Questions By Question

By assuring the future availability of serviced industrial land, these Capital Profiles align to Edmonton Global's vision of "the Edmonton Metropolitan Region is the location of choice for global investment, collaboratively built on regional assets".

Branch: Real Estate

Asked By: Councillor Walters

Question #: 19-150C

Budget Page #:

Has the approach to Enterprise Land Development been re-evaluated in light of the updated Vision 2050 and new council goals? How does the City of Edmonton development of RSL lots in suburban neighbourhoods enhance our Global reputation? Specifically why is participation in this space by the City of Edmonton required?

Question Answer:

Enterprise Land Development's (ELD's) land development activity and ELD's capital profiles are continually evaluated to align with Council's priorities and strategic objectives, specifically Vision 2050 and Council's 10-year Strategic Plan.

ELD's activities are directed by Policy C516B and Policy C511. Administration will be advancing a discussion with City Council regarding possible updates to policy C511 and C516B in 2019.

Development of RSL lots in suburban neighbourhoods likely does not enhance or detract from Edmonton's global reputation. However, providing a supply of serviced RSL lots to the market, which are developed in accordance with the governing land use plan and meet the regional density target, supports city building in alignment with Council's vision and regional goals.

ELD participation in the residential land development market advances the City's policy goals by allowing the municipality to directly impact the development of the land, as landowner, in addition to Council's role as land regulator. ELD development activities expand the City's road and servicing network, promote sustainable built forms, add open spaces, contribute to affordable housing initiatives, improve the City's resilience to major storm events, increase the tax base and provide opportunities for business.

2019-22 Capital Budget Questions By Question

Branch: Real Estate

Asked By: Councillor Walters

Question #: 19-151C

Budget Page #: 361

Can you provide more detailed information on the 25% annual dividend provided to the City as noted on page 361 of the budget book in CP CM16-2025.

Question Answer:

Land Enterprise, which includes Enterprise Land Development (ELD) land development activities as well as surplus land development activities, provides an annual dividend in accordance with policy C516B. As outlined in policy C516B, Land Enterprise will pay an annual dividend to the City based on 25% of the actual net income of the land development activity of Land Enterprise.

2019-2022 Land Enterprise (Land Development only) projected dividend payments:

2019: Council's direction for Land Enterprise to allocate \$2 million to the funding agreement for the Jerry Forbes Centre for Community Spirit and a focus on city building initiatives such as the development of ICI lands for the Edmonton Police Services' Northwest Campus and the new Co-located Dispatch and Emergency Operations Centre, in addition to preparing residential lots that will be sold throughout the 2019-2022 budget cycle contribute to a projected \$0 dividend payment for 2019.

2020: \$497,000

2021: \$759,000

2022: \$544,000

The projected dividend payments include forecasted revenue from residential lot sales in the neighbourhoods of Laurel, Hollick Kenyon and Schonsee and the sale of industrial / commercial lots along Gateway Boulevard and in Goodridge Corners, Rampart Industrial, Roper Industrial and Southeast Industrial.

2019-22 Capital Budget Questions By Question

Branch: Real Estate

Asked By: Councillor Walters

Question #: 19-152C

Budget Page #: 361

Part of the justification of supporting the CM 16-2025 and CM 16-2020 (Residential/Mix Use Land Development) profiles is that it supports our goal of climate resilience. Specifically can you describe and outline how this will support Council's goal of Climate Resilience?

Question Answer:

In the residential land context, Enterprise Land Development (ELD) activities support climate resilience by requiring buyers of residential lots to construct in accordance with Natural Resources Canada specifications and achieve prescribed minimum EnerGuide ratings. In past City led residential subdivisions, buyers were also required to build homes that were solar ready.

The residential and commercial building sectors makes up approximately 40% of Edmonton's community greenhouse gases. Approximately 30% is attributed to the transportation sector. The promotion of mixed used development combined with high standards for new construction, particularly when combined with the location efficiency of a mature area, is a carbon reduction strategy outlined in Edmonton's Community Energy Transition Strategy (Policy C585). As per Policy C585, the City commits to taking a lead role in supporting Edmonton's energy transition efforts by leading by example in its own civic operations. Whenever the City has an opportunity to develop land and set low carbon standards in its sales agreements with private builders, it can assist in building capacity to advance all of Edmonton to a low carbon future.

The Community Energy Transition Strategy recommends tactics to support improvements in energy efficiency in new developments as well as actions to make on-site renewable energy systems the norm. The Community Energy Transition Strategy also outlines a goal to support transformational mixed use development. One tactic put forward to advance transformational mixed use development and support higher energy efficiency standards in new construction is for the City of Edmonton to set these standards by leading by example by: (a) developing City-owned lands, (b) assembling land for resale, (c) partnering on developments, (d) selling City-owned land at a discount to encourage prime projects. All of these options are enabled by Enterprise Land Development, and the most suitable approach for a particular land holding is evaluated through the analysis and detailed project proforma work that is conducted for all City development projects.

2019-22 Capital Budget Questions By Question

Branch: City Planning

Asked By: Councillor Walters

Question #: 19-153C

Budget Page #: 453

In the River Crossing/West Rosedale Redevelopment- on page 453- it requests \$9.732 million for servicing upgrades which appears to be approximately 15% of the amount needed. How will this gap be filled? Can we consider a revamped corporate land management strategy that enables the sale of less strategic suburban land in our land inventory to fund the necessary servicing at Rosedale in order to make the site more attractive to private investment?

Question Answer:

The River Crossing Business Case currently being developed is to be advanced for City Council's consideration in Q1, 2019.

The business case will outline an implementation plan in support of the revised River Crossing Development Concept (being advanced in parallel to the business case) and will include investment priorities, development staging, costs, and potential cost sharing / funding models. Profile 19-17-0601 seeks initial funding to begin implementation of the River Crossing Business Plan/Development Concept. The funding source for the profile is Land Enterprise Retained Earning obtained through the sale of City-owned land in West Rosedale to the Province of Alberta (see Report CR_3957 Sale of Land in West Rosedale approved by Council on October 11, 2016).

Future funding sources used to fully finance the City's portion of the West Rosedale redevelopment, including any revenues from the sale of land outside the plan area, would need to be prioritized against other City projects and initiatives through future budget processes. The City's corporate land management strategy is outside the scope of the River Crossing project and Administration would need further direction to reevaluate that strategy for the purposes identified in the council question.

Branch: Social Development

Asked By: Councillor Walters

Question #: 19-154C

Budget Page #: 335

The Affordable Housing Land Acquisition and Site Development profile uses pay as you go as the funding source. Is it possible to use the sale of other land assets not directly aligned with actual city goals as a source of revenue to purchase new land needed for affordable housing?

Question Answer:

Administration requires certainty regarding funding sources in order to deliver on the Affordable Housing Investment Plan approved by City Council. Postponing implementation of the plan subject to future revenues, will prevent Administration from achieving the targets in the plan.

In the future, dedicating revenue to further affordable housing development could be achieved through the proposed Civic Properties reserve, which would channel net sale proceeds from the sale of surplus civic properties to help deliver various Council priorities, including provision of housing. Allocation of funding through this reserve would allow Administration to support the creation of additional units of affordable housing, beyond the targets included in the Affordable Housing Investment Plan.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-155C

Budget Page #: 631

[Line 82] If funded how quickly could the Heritage Valley Transit Priority improvements be designed and implemented? The line item on page 631 of the budget binder notes checkpoint #3. Does transportation planning and Integrated Infrastructure Services agree that having Transit Priority Measures in place by the time the Heritage Valley Park and Ride opens would be providing the best service to the transit users?

Question Answer:

Transit priority measures along 111 Street are considered an interim measure until the Capital Line LRT is extended to Heritage Valley Park and Ride. Additional design work is required to determine the optimum combination of priority measures to provide the best balance of bus travel time improvements against capital cost requirements. This work is currently underway and is anticipated to be complete by Q2 2019.

The initial estimate to extend the planning and design is estimated at \$0.75M. If funding were in place for both the planning & design and delivery, the construction could start in spring 2020.

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-156C

Budget Page #: 628

How many new baseball diamonds have been constructed in Edmonton and how many fields have been upgraded from grass to shale in the 2015-18 Capital Budget? How many are planned to be built or upgraded in the 2019-22 Capital Budget? What is the cost of building and/or upgrading a baseball diamond per diamond?

Question Answer:

As described in the Urban Parks Management Plan the City is responsible for funding the base level development which includes; grading, turf establishment, and trees. Enhanced amenities or enhanced development occurs primarily through partnerships with various user groups; Sport and Recreation groups, Community Leagues, etc. Upgrading baseball diamonds from grass to shale has been considered an enhancement above city base level funding and development. The number of standard (grass) ball diamonds constructed in the last budget cycle is approximately 5-7 per quadrant. No upgrades to ball diamonds were funded by the City as part of the 2015-2018 capital budget cycle as upgrades are typically funded through partner groups. Installation of shale infields at seven ball diamonds were paid by City and constructed in 2018 to meet the ongoing need of users. There is no capital request in the 2019-2022 budget specifically for the construction or building or upgrading of ball diamonds. The costs to build/upgrade a baseball diamond depends on the upgrades that are proposed, and costs can vary significantly from \$60,000 to +400,000 or more.

2019-22 Capital Budget Questions By Question

Branch: Community & Recreation
Facilities

Asked By: Councillor Walters

Question #: 19-157C

Budget Page #: 628

How does consultation with user groups determine the order of where baseball upgrades take place? And how many upgrades or new diamonds will be allocated for Southwest Edmonton, where I understand registrations have grown significantly?

Question Answer:

The Sports Field User Committee has been provided with copies of the baseball reports that went to the City's Community and Public Services Committee in 2017. Furthermore, the Committee is aware that pending budget approval, the goal is to upgrade diamonds throughout the City from grass to shale.

At this time, committee members have not been asked to provide a list of diamonds they believe should be upgraded.

Parks and Roads Services used a number of factors to determine which diamonds should be upgraded including booking data, number of existing standard diamonds in the park to be upgraded, parking capacity, existing amenities and infrastructure.

City wide in 2018, 7 standard diamond to shale infield upgrades were completed. In 2019, 6 upgrades are planned. Of the completed upgrades in 2018, 4 were in Southwest Edmonton. Of the planned upgrades for 2019, 3 are planned for southwest Edmonton.

Administration will continue consulting and collaboration with the internal and external stakeholders to identify the needs for future diamonds upgrades including preferable location. This could include entering into agreements with groups that have the capacity and interest to develop existing or future diamonds and amenities beyond the City's premier level and to provide ongoing maintenance of the diamonds in exchange for priority booking on the site.

Branch: Infrastructure Planning &
Design

Asked By: Councillor Walters

Question #: 19-158C

Budget Page #: 485

When Transportation and Goods Movement Arterial Road Renewal is being done along 51 avenue between 99 Street and 111th Street as described on page 485, what opportunities exist to improve the crossing infrastructure at 110th Street that is the primary crossing point for seniors living in Pleasantview Manor who use Southgate Mall on a daily basis?

Question Answer:

51 Avenue (99 Street to 111 Street) is programmed for renewal in 2021. The scope of work is currently being considered as an asphalt resurfacing (mill and overlay) project. Options exist to improve the pedestrian crossing (signals exist) at 110 Street, however, an alternate funding source has not been confirmed. It is possible that the Traffic Safety Enforcement program could contribute funding to this to ensure it is addressed together with the renewal planned in 2021.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-159C

Budget Page #: 143

Why is the design funding for the Rollie Miles Leisure Centre not included in the Facility Planning and Design Profile on page 143? Is it because it is a renewal project?

Question Answer:

The Rollie Miles Leisure Centre project is currently at checkpoint 2. The next phase of schematic design and design development (checkpoint 3) for the Rollie Miles Leisure Centre is estimated at \$2.3M. The Rollie Miles Leisure Centre project based on the expanded functional program (over above base program) is considered Growth (not Renewal).

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-160C

Budget Page #: 445

Open Space: River Valley System Renewal - What percentage of the total need does this \$15,047 million represent based on the asset management tools used for these amenities?

Question Answer:

The Open Space: River Valley System Renewal Profile focuses on the connective infrastructure that helps users enjoy the River Valley: trails, staircases, roads, parking facilities. The renewal programming criteria is based on condition assessments and project prioritization that considered risk and value to citizens, relative to this program of assets as well as all the assets within the City.

Funding allocated to River Valley Systems in the 2019-2022 Capital Budget represents approximately 30% of the total projects identified.

More work will be required in subsequent budget cycles to renew River Valley System Assets, however Administration is confident that the funding allocated fairly represents the needs of these assets relative to other assets within the City at this time.

2019-22 Capital Budget Questions By Question

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-161C

Budget Page #: 456

River Valley Alliance Phase 2 - Planning and Design provides for the design of the next set of RVA projects. If and when a new provincial funding is reached with the RVA is administration prepared to bring the unfunded line item River Valley Alliance - Phase 2 CM 30-3030 to a Supplementary Capital Budget?

Question Answer:

The initial \$3.1M recommended with the Capital Budget represents the City's contribution to the RVA to support the approximately \$11M required to complete the planning and design for Phase 2. The total funding availability is approximately \$75M with the City being potentially responsible for up to 33%. Once the planning & design (checkpoint 3) is complete the City will be in a better position to inform Council of the capital budget requirements to begin construction pending the funding contributions being confirmed from the other partners. The uncommitted partner funding and future funding for construction is intended to be considered by Council in a future SCBA and will be subject to available funding at that time.

Branch: Corporate Accounting

Asked By: Councillor Walters

Question #: 19-162C

Budget Page #: 600

The Edmonton Soccer Association South Centre Expansion is noted as a potentially debt-funded profile. What would the debt servicing costs be for this project if paid for by debt? Can you also provide our metric on how many soccer fields we aim for per capita and what our current state is in this regard?

Question Answer:

A \$28 million debt requirement was identified for the Edmonton Soccer Association South Centre Expansion. \$9.5 million out of this \$28 million total is considered self-supporting debt, as the debt servicing for this portion is recovered from the operating lease with the Edmonton Soccer Association. The remaining \$18.5 million of debt would be considered tax-supported and would be funded with tax levy revenue. Debt servicing costs for this tax-supported debt are estimated to be \$1.132 million per year, which would equate to a tax levy increase of 0.07%. A detailed breakdown of the timing and amounts of potential debt servicing payments can be found in Table 5 on page 26 of the Capital Budget.

The Edmonton Soccer Association currently operates 12 boarded indoor fields that are used year round for indoor soccer, ball hockey, inline hockey and lacrosse. This provides one field per 78,000 people. Increasing to fourteen will provide one field per 67,000 people. In the new Approach to Community and Recreation Facility Planning in Edmonton we have shifted from a service level ratio to now consider six indicators of demand including, General Public / Household preference, Organized User Group Preferences, Utilization of Existing Amenities, Participation Trends, Supply in the City and Region and Supply Compared to Other Cities. Current facilities are fully utilized by the various sport groups. The expansion will allow all current users to continue to access the fields in the three centres.

2019-22 Capital Budget Questions By Question

Branch: Building Great Neighbourhoods

Asked By: Councillor Walters

Question #: 19-163C

Budget Page #: 42

Also noted as unfunded on page 42 is the Confederation Park redevelopment plans. What opportunities exist for some work to begin on this during the Neighbourhood renewal scheduled for 2019-2020 in Royal Gardens?

Question Answer:

As part of the Royal Gardens Neighbourhood project, engagement has included elements for Confederation Park where enhancements are expected to meet the future full redevelopment plan and align with enhancements fitting within Building Great Neighbourhoods mandate. The Neighbourhood designs and Confederation Park Concepts have been coordinated to ensure integration with one another. There is still a similar need to complete the Confederation Park redevelopment plans to meet the broader goals.

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-164C

Budget Page #: 43

The Queen Elizabeth Phase #3, including the Bike Skills Park. What is the cost? How much has been spent on Phases 1 and 2?

Question Answer:

Phase 3 of this project is currently complete at checkpoint 2. The estimated cost to complete Planning & Design (checkpoint 3) is approximately \$380,000. The estimated cost to construct phase 3 of this project requires the preliminary design to be completed to better mitigate the potential of any schedule or budget variances. Current estimates to complete the detailed design and construction phases (to checkpoint 5) for Queen Elizabeth Park phase 3 which include the bike park are projecting approximately \$3.4M (-30%/+50%). Previously approved capital funding for Queen Elizabeth Park Master Plan includes Phase 1 (\$3M) and Phase 2 (\$5M).

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Walters

Question #: 19-165C

Budget Page #:

What percentage of the recommended profiles are for recreation in this 2019-22 Capital Budget? What percentage of the total number of recreation capital profiles that are ready to advance are being recommended for funding in this CB? Do we feel comfortable that these numbers align meaningfully with our "Healthy City" Goal.

Question Answer:

The 2019-2022 Capital Budget proposes investment of over \$500 million or approximately 12% of overall expenditures in the growth and renewal of parks and recreation. This includes examples such as continued investment in both planning and design and construction for recreation centres and leisure facilities, river valley trails, park development, transportation trails and sidewalks, as well as ongoing expansion of the bike network.

When evaluating the impact of capital investment on achieving any specific strategic goal, it is important to have a broad perspective and understand that many of the investments made in the capital budget will align with a number of strategic goals, including building a Healthy City. In developing the capital budget, Administration was guided by the prioritization framework approved by Council, which evaluates projects for strategic alignment with each of Council's strategic goals, which are weighted equally. Through the prioritization process, Administration believes it has aligned its investments meaningfully with each of these goals.

Branch: Infrastructure Planning & Design

Asked By: Councillor Walters

Question #: 19-166C

Budget Page #: 625

Could the Valley Zoo Nature's Wild Backyard Phase 2 be considered a regional amenity and if so why, and how would we determine an appropriate cost sharing formula? Additionally could any other recreational facilities listed in the 2019-2022 Capital Budget be considered regional in nature?

Question Answer:

The Valley Zoo is one of many examples that could potentially be considered under the expanded powers described within the update of the MGA. For further information on this, please refer to CR_6507 Infrastructure Project Financing - Legislative Updates (to be presented along with the Capital Budget deliberations on November 28). This type of project would fall under "Intermunicipal Levies". A list of other potentially eligible projects will be included in the attachment to CR_6507.

2019-22 Capital Budget Questions By Question

Branch: Budget Office

Asked By: Councillor Paquette

Question #: 19-167C

Budget Page #:

Can Administration please group new projects requesting funding into categories by ward?

Question Answer:

The attached table provides the ward for each new growth project recommended in the 2019-2022 Capital Budget. This table is provided in the same format as page 93 of Appendix A in the Capital Budget.

Please note that many of the projects proposed in this budget are City-wide initiatives that are not specific to any ward in particular. In these instances, Administration has noted the ward as "Various Locations". Other projects that are proposed in this budget provide support for the day-to-day operation and administration of the City. These initiatives for corporate support include projects such as Fleet, Information Technology and Administrative Facilities. In these instances, Administration has noted the ward as "N/A"

2019-22 Capital Budget Questions By Question

Line No.	Profile Name	Profile Number	Project Name	Ward	Appendix A Page No.
1	Facilities				
2	Infrastructure Planning & Design				
3	Facility: Planning and Design - Growth	CM-10-1010			140
4			Century Place Densification	6	
5			Charlesworth Fire Station	12	
6			Clarke Stadium Enhancements	6	
7			Fire Station Gear Rooms	Various locations	
8			Heritage Valley Recreation Centre and Library	9	
9			Operational Yards OHS/Security Improvements	Various locations	
10			Snow Storage Sites Upgrades	Various locations	
11			Swimming Pool OHS Improvements	Various locations	
12	Fleet				
13	Edmonton Transit				
14	Bus Safety & Security Enhancements	CM-61-3616	Bus Safety & Security Enhancements	Various locations	239
15	Fire Rescue Services				
16	Fire Fleet Growth	19-70-0020	Fire Fleet Growth	Various locations	227
17	Information Technology				
18	Corporate Strategy				
19	Urban Form Service Transformation	CM-17-2040	Urban Form Service Transformation	N/A	287
20	Open City & Technology				
21	eProcurement	19-18-1902	eProcurement	N/A	254
22	Information Security and Disaster Recovery Enhancements	19-18-1901	Information Security and Disaster Recovery Enhancements	N/A	257
23	Recreation and Attractions Management (RAMS) Program	19-18-1903	Recreation and Attractions Management (RAMS) Program	N/A	264
24	Technology Implementation - Growth	CM-18-1514	Technology Implementation - Growth	N/A	274
25	Technology Planning - Growth	CM-18-1517	Technology Planning - Growth	N/A	283
26	Police Service				
27	Police IT - Applications Enhancement	CM-60-1461	Police IT - Applications Enhancement	N/A	295
28	Public Library				
29	IT Infrastructure Growth	CM-20-0053	IT Infrastructure Growth	N/A	260

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30	Land				
31	City Planning				
32	District Park Land Acquisition (FMP Repayment)	CM-17-1024	District Park Land Acquisition (FMP Repayment)	Various locations	340
33	District Park Land Acquisition (New ASPs)	CM-17-1022	District Park Land Acquisition (New ASPs)	Various locations	343
34	River Valley Land Acquisition	CM-17-1001	River Valley Land Acquisition	Various locations	369
35	Suburban School and Park Land Acquisition	CM-17-1004	Suburban School and Park Land Acquisition	Various locations	376
36	Social Development				
37	Affordable Housing Land Acquisition & Site Development	19-90-4100	Affordable Housing Land Acquisition & Site Development	Various locations	335
38	Real Estate				
39	Heritage Valley Land Development	19-16-5055	Heritage Valley Land Development	9	338
40	Industrial-Commercial-Investment Land Development	CM-16-2010	Industrial-Commercial-Investment Land Development	Various locations	350
41	Industrial-Commercial-Investment Land Acquisition	CM-16-2015	Industrial-Commercial-Investment Land Acquisition	Various locations	346
42	Real Estate Investment Purchase	CM-16-5110	Real Estate Investment Purchase	Various locations	357
43	Residential/Mixed-Use Land Development Acquisition	CM-16-2025	Residential/Mixed-Use Land Development Acquisition	Various locations	361
44	Residential/Mixed-Use Land Development	CM-16-2020	Residential/Mixed-Use Land Development	Various locations	365
45	Strategic Land Acquisition	CM-16-5100	Strategic Land Acquisition	Various locations	372
46	Surplus School Sites - First Place Program	CM-17-5037	Surplus School Sites - First Place Program	Various locations	379
47	Transforming Surplus City Lands	CM-17-5045	Transforming Surplus City Lands	Various locations	383
48	Neighbourhoods				
49	Building Great Neighbourhoods				
50	Building Great Neighbourhoods Delivery - Growth	CM-40-9000			387
51			Community Hubs	Various locations	
52			Corner Stores	Various locations	
53			Minimum Bike Grid (Phase 2 - Strathcona & Garfield)	8	
54			Neighbourhood Revitalizations	Various locations	
55	Building Great Neighbourhoods: Planning and Design - Growth	CM-40-4040			391
56			Community Hubs	Various locations	
57			Corner Stores	Various locations	
58			Industrial Roads	Various locations	
59			Minimum Bike Grid (Phase 2 - Strathcona & Garfield)	8	
60			Neighbourhood Revitalizations	Various locations	

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61	Economic & Environmental Sustainability				
62	Downtown CRL	CM-74-4100		6	279
63	<u>Open Spaces</u>				
64	City Planning				
65	Dry Pond Land Acquisition	CM-16-1232	Dry Pond Land Acquisition	Various locations	419
66	Mature Area Land Acquisition	CM-17-1020	Mature Area Land Acquisition	Various locations	354
67	River Crossing/West Rosedale Redevelopment	19-17-0601	River Crossing/West Rosedale Redevelopment	6	453
68	Shared Park Development Program	CM-17-1010	Shared Park Development Program	Various locations	471
69					
70	Infrastructure Planning & Design				
71	Bulyea Heights Park Development	19-30-1000	Bulyea Heights Park Development	9	414
72	Neighbourhood Park Development Program - New	CM-36-3636	Neighbourhood Park Development Program - New	Various locations	422
73	Open Space: Planning and Design - Growth	CM-30-3030			441
74			Cemeteries Master Plan Implementation	2, 11	
75			Dogs and Open Spaces	Various locations	
76			Heritage Valley District Park	9	
77			Naturalization & Urban Canopy Expansion	Various locations	
78			Rollie Miles Athletic Grounds - Park Redevelopment	8	
79			School Park Site Development (various)	Various locations	
80			Terwillegar Heights District Park - Master Plan Review	9	
81			Terwillegar River Valley Park	9	
82			Turf Management - Sportsfields Upgrades	Various locations	
83					
84	River Valley Alliance Phase 2-Planning and Design	CM-30-3131	River Valley Alliance - Phase 2	Various locations	456
85	Parks & Roads Services				
86	Council Amenities & Benchmark	CM-33-3001	Council Amenities & Benchmark	Various locations	416
87	Roots for Trees	CM-33-3004	Roots for Trees	Various locations	459
88	<u>Transportation</u>				
89	Parks & Roads Services				
90	Snow Plow and Clearing	CM-66-2721	Snow Plow and Clearing	N/A	553
91	Traffic Signals - Developer and ARA Funded	CM-66-2525	Traffic Signals - Developer and ARA Funded	Various locations	559

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92	Infrastructure Planning & Design				
93	Transportation: Planning and Design - Growth	CM-20-2020			496
94			Centre LRT	Various locations	
95			Active Transportation	Various locations	
96			Arterial Roadway - Operational Improvements	Various locations	
97			Whitemud Drive (207-231 Street) Upgrading/Wide	1, 5	
98	<u>Other Assets</u>				
99	Infrastructure Delivery				
100	Infrastructure Delivery - Growth	CM-99-9000			590
101			Fire Station Gear Rooms	Various locations	
102			Operational Yards OHS/Security Improvements	Various locations	
103			Swimming Pool OHS Improvements	Various locations	
104			Cemeteries Master Plan Implementation	2, 11	
105			Dogs and Open Spaces	Various locations	
106			Heritage Valley District Park	9	
107			Naturalization & Urban Canopy Expansion	Various locations	
108			School Park Site Development (various)	Various locations	
109			Turf Management (Strategy Implementation)	Various locations	
110			105 Avenue (Columbia Avenue)	6	
111			Active Transportation	Various locations	
112			Imagine Jasper Avenue Base Streetscape	6	
113	Infrastructure Planning & Design				
114	CRL Projects - Planning and Design	CM-50-5050	CRL Projects - Planning and Design	6	585