



CITY OF ST. ALBERT ADMINISTRATIVE BACKGROUNDER

TITLE: HOGAN ROAD SIDEWALK PROJECT CHARTER

BACKGROUND:

On May 9th, 2016 Standing Committee of the Whole passed the following motion:

(SCW36-2016)

That Administration prepare an Off-Site Levy Project Charter to complete the sidewalk, landscaping, curbing, and bus pad capital work only located on the west side of Hogan Road, separate and removed from the Hogan Road expansion Project Charter, to be presented to Council prior to the 2017 Budget process.

and

That Administration identify possible funding options for the front-ending of the Project Charter, to be presented along with the Project Charter, for Council's consideration for the front-ending of the Project Charter as per Council Policy CP&E-09 Off-Site Levy City Front-Ending Prioritization Criteria for inclusion in the 10-Year Capital Plan as part of the 2017 Budget process.

Administration has prepared the attached Off-Site Levy Project Charter to be considered as part of the 2017 Budget Process. As per Council Policy C-P&E-09 Off-Site Levy City Front-Ending Prioritization Criteria, a motion will be required for budget to be allocated through the Budget process.

In reviewing the possible funding options, Administration reviewing two funding sources: funding via the Off-Site Levy Recovery Fund and funding via the Capital Budget.

Off-Site Levy Recovery Fund

The current uncommitted balance of the Off-Site Levy Recovery Fund is \$13,240,000 as at September 30th, 2016. There are a couple of considerations related to the Off-Site Levy Recovery Fund detailed below:

On June 13th, 2016 Council approved Bylaw 12/2016, being a Borrowing Bylaw to finance the construction of the Phase 3 North Interceptor (Project 9).

Within Bylaw 12/2016 it is identified that Council has approved \$10M in contribution from the Off-Site Levy Recovery Fund for the completion of the Phase 3 North Interceptor as outlined below:

iii. The Council of the City of St. Albert has estimated that the following internal reserves and contributions will be received or applied to the Project:

<i>Off-Site Levy Recovery Fund</i>	\$	<i>10,000,000</i>
<i>Borrowing(s)</i>	\$	<i>30,000,000</i>
<i>Total Cost</i>	\$	<i>40,000,000</i>

A Council Policy, C-FS-20 Off-Site Levy Recovery Fund Utilization, is currently under development for the utilization of reserve fund. As currently drafted Council Policy C-FS-20 would have two implications on the front-end funding of this Off-Site Levy Project:

1. Approximately \$6M of the remaining uncommitted funds within the reserve would be committed for the debt servicing for the approved front-ending of the Off-Site Levy Project of the Phase 3 North Interceptor leaving approximately \$7M uncommitted.
2. Standard 2 within C-FS-20 Off-Site Levy Recovery Fund Utilization restricts the funds to *“the financial support for the City frontending of strategic OSL projects as supported by Council Policy C-P&E-09 Off-Site Levy Front-ending Prioritization Criteria”*. This Off-Site Levy Project has not been brought forward by Administration as per Council Policy C-P&E-09 as a Project of strategic importance; nor has this Off-Site Levy Project been identified as strategic by Council as per Council Policy C-CG-02.

The Off-Site Levy Recovery Fund could be utilized for funding this Off-Site Levy Project Charter as sufficient remaining uncommitted funds exist within the reserve to fund the Project. Administration recommendations that, prior to approval of funds from this reserve, Council determine this Project as being of strategic importance to ensure alignment with Council Policy C-FS-20.

Funding for Capital Infrastructure

Section 10. e. of Council Policy C-FS-05 Budget and Taxation Guiding Principles outlines the sources of financing available for Capital Infrastructure as outlined below:

The City has several sources of financing available to be used toward Capital Infrastructure. The funding allocations are comprised of various Provincial and Federal Grants, City Reserves, and the predetermined amount of Pay as You Go (PAYG) funds established through the Capital Funding Formula.

As this Off-Site Levy Project is not recognized as strategic, as outlined above, it is Administration's recommendation that Council consider the front-ending of this Off-Site Levy Project Charter as part of Council's review of Capital Projects as part of the 2017 Budget process and funded through one of the municipal capital options presented above as determined by Financial Services.

Report Date: November 21, 2016

Author(s): Gilles Prefontaine

Committee/Department: Development Services

General Manager: Gilles Prefontaine

Interim City Manager: Chris Jardine



CAPITAL PROJECT CHARTER

YEAR OF CAPITAL PLAN:	2017
PROJECT CHARTER NAME:	Hogan Road Sidewalk
PROJECT CHARTER NUMBER:	OSL- XXX
DEPARTMENT NAME:	ENG

INVESTMENT TYPE:	<input type="checkbox"/> RMR <input checked="" type="checkbox"/> GROWTH
ASSET CATEGORY	Engineered structures
PURPOSE:	Install Sidewalk along the west side of Hogan Road

SCOPE STATEMENT: <i>Provide the justification for the project, i.e., needs assessment, Council direction, regulatory requirements, safety, efficiency or cost savings, revenue.</i>	This project will install sidewalks along the west side of Hogan Road within at the ultimate location.		
PROJECT JUSTIFICATION: <i>Provide link to the Council strategic plan. Provide any data analytics, pictures, and or graphs that assist in project rationalization.</i>	On May 9 th , 2016 Standing Committee of the Whole passed the following motion: (SCW36-2016) That Administration prepare an Off-Site Levy Project Charter to complete the sidewalk, landscaping, curbing, and bus pad capital work only located on the west side of Hogan Road, separate and removed from the Hogan Road expansion Project Charter, to be presented to Council prior to the 2017 Budget process. The installation of new sidewalk along the west side of Hogan Road. The installation of the sidewalk will be completed in the ultimate location adjacent to the existing west fence line consistent with the Arterial Roadway Engineering standard.		
TIMELINE/SCHEDULE: <i>Provide a summary of the major milestones such as acquisition, preliminary design, design, construction, commissioning.</i>	2017 construction season.		
PROJECT RISKS, CONSTRAINTS, ASSUMPTIONS & IMPACTS: <i>Provide a high-level summary of any project constraints that may affect the project. Provide a list of all assumptions (factors assumed to be true for purpose of planning purposes) and Impacts if assumptions are wrong. Include any stakeholder identification</i>	Risks Include: <ol style="list-style-type: none">1. Rising costs for services.2. Unavailability of contractors.3. Inclement Weather4. Competing priorities Life Cycle Costing: According to Tangible Capital Asset reporting, sidewalks have a life span of 30 years depending on a number of factors including location, exposure, subsurface conditions and usage. <table border="1"><tr><td>Assumption:</td><td><ul style="list-style-type: none">• All work falls within the approved budgets.</td></tr></table>	Assumption:	<ul style="list-style-type: none">• All work falls within the approved budgets.
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	<p><i>Provide a list of all assumptions (factors assumed to be true for purpose of planning purposes)</i></p>	<ul style="list-style-type: none"> • Funding mechanism can be allocated for the project. • Qualified contractors will be available to perform the work. • Weather will not adversely affect construction. • Competing priorities don't take precedence. • Drainage impacting the design of the sidewalk and needing to be addressed. 												
	<p>Impact if assumption is incorrect:</p>	<p>Delay and/or cost over run could happen. Project may need to be reduced in scope.</p>												
<p>STAKEHOLDER IDENTIFICATION: <i>Please list all internal and external stakeholders that may be impacted by this project. Internal stakeholders would include other departments whereas external stakeholders would include business, residents, etc.</i></p>		<table border="1"> <thead> <tr> <th data-bbox="652 665 913 707">Name & Role</th><th data-bbox="913 665 1428 707">Responsibility or Contribution</th></tr> </thead> <tbody> <tr> <td data-bbox="652 707 913 770">Engineering Services</td><td data-bbox="913 707 1428 770">Project Manager for the program,</td></tr> <tr> <td data-bbox="652 770 913 813">Public Works</td><td data-bbox="913 770 1428 813">Operations and input</td></tr> <tr> <td data-bbox="652 813 913 918">Residents</td><td data-bbox="913 813 1428 918">Timelines of the project Contact numbers Communication</td></tr> <tr> <td data-bbox="652 918 913 1024">Council</td><td data-bbox="913 918 1428 1024">Timelines of the project Contact numbers Communication</td></tr> <tr> <td data-bbox="652 1024 913 1087">City of St. Albert Risk & Insurance Department</td><td data-bbox="913 1024 1428 1087">Consulted on all projects to determine if insurance required)</td></tr> </tbody> </table>	Name & Role	Responsibility or Contribution	Engineering Services	Project Manager for the program,	Public Works	Operations and input	Residents	Timelines of the project Contact numbers Communication	Council	Timelines of the project Contact numbers Communication	City of St. Albert Risk & Insurance Department	Consulted on all projects to determine if insurance required)
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<p>COST ESTIMATE: <i>HOW THE NUMBERS WERE DERIVED; ESTIMATED IN CURRENT YEAR DOLLARS. POTENTIAL FUNDING SOURCES – EARMARKED AND/OR SPECIAL GRANTS, STAKEHOLDER CONTRIBUTION</i></p>	<p>2017</p>	<p>\$700,000</p>												
	<p>TOTAL PROJECT COST ESTIMATE</p>	<p>\$700,000</p>												

APPROVAL

<p>Developed By:</p>	<p>Kate Polkovsky</p>	<p>September 15, 2016</p>
	<p>Project Charter Developer</p>	<p>Date</p>
<p>Reviewed By:</p>	<p>Robin Benoit</p>	<p>November 03, 2016</p>

Reviewed By: _____
2. If No above (1), does this project meet the criteria for Branding Policy <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Reviewed By: _____
3. If not eligible for Either Public Art or Branding, refer back to originator to amend.

Approved By:

Divisional General Manager

Date

Worksheet B - To be used for Projects that Are supported by a Multi-year Lifecycle Plan
 (In addition to filling out this form for the 2017-19 also include the appropriate schedules from the Lifecycle plan for the additional years of the 2017-2026 timeline).

	Project Component	Estimate
	2017 Estimated Lifecycle Investment Project	
1)	New Sidewalk Construction: \$600,000 Contingency//Testing = \$50,000	\$650,000
2)	Public Art/Branding (of line 1) (add 1% for all projects, policy experts will review and determine which stream it is to be directed to or if not eligible.)	0.00
3)	Construction Management (if any)	\$50,000
	Total	\$700,000

Stakeholder Contribution – is any amount that would be raised beyond the typical City sources (MSI, Federal Fuels tax, Reserves etc, etc). This would include specialized grant applications or other fundraising contributions specific to the project.

Operating Impacts Cost Estimate Worksheet

Part 1: Calculating Operating Impact Estimate

	Category	Estimate
1) Building Infrastructure		n/a
a) Building Maintenance		n/a
b) Programming/Animation		n/a
c) Capital Infrastructure Maintenance		\$1,000
2) Equipment		n/a
a) Equipment Maintenance		n/a
b) Equipment Lifecycle Maintenance		n/a
c) Staffing Requirement		
		n/a
3) Mobile Equipment		
		n/a
4) Other Capital		
		\$0.00
	Total Estimated Operational Impacts (this number gets transcribed to "Total Project Cost Estimate" line of Charter)	\$1,000

Note – Fill in all categories that apply. If category does not apply note n/a.

Part 2: Determining Duration of operating Impacts

1. Is Operating Impact;	<input type="checkbox"/> One Time Impact? If one time in what year _____ <input type="checkbox"/> Multiple years but not permanent? If multiple complete below. <input checked="" type="checkbox"/> Ongoing Annual Impact? If annual complete below.
2. Ongoing Operational Impacts	
(Year 1*): What is the estimated proportion of the annual operating impact estimated for the first year of the project?	\$1,000
Each Successive Year:	\$1,000