



## Legislation Text

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**File #:** AR-20-363, **Version:** 1

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**TAMRMS#:** B06

### **RR260 Project Charter**

Presented by: Dawny George, Director, Engineering

### **RECOMMENDED MOTION**

That Capital Project Charter ENGS-079, RR260- Community Amenities & Lakeview Business District Servicing, be approved.

### **PURPOSE OF REPORT**

To present a project charter for servicing in support of development in the Lakeview Business District, including servicing of land to be donated by Rohit which has been designated by the City as the future Community Amenities site.

### **ALIGNMENT TO PRIORITIES IN COUNCIL'S STRATEGIC PLAN**

Strategic Priority #4 Infrastructure Investment: Identify, build and/or enhance needed critical or strategic infrastructure and identify and implement associated optimal business and operating models and lifecycle strategies.

Secure ownership of RR260 lands for a future community amenities site subject to Council approval.

### **ALIGNMENT TO LEVELS OF SERVICE DELIVERY**

N/A

### **ALIGNMENT TO COUNCIL DIRECTION OR MANDATORY STATUTORY PROVISION**

On January 20, 2020, Council passed the following motion:  
(AR-19-491 - Community Amenities)

*That the Chief Administrative Officer be directed to proceed with a conditional offer and financing options to acquire the lands necessary for a community amenities site of at least 25 contiguous acres within the Range Road 260 Area Structure Plan, subject to Council approval.*

*That Administration present to Council, by the end of 2020, a proposal for the future disposition or use of the City-owned Badger lands (43 City Annex), together with a list of resolutions previously passed by Council concerning planning for or use of the Badger lands,*

*for consideration of rescinding those resolutions.*

On March 23, 2020, Council passed the following motion:  
(AR-20-102, Capital Projects 2020)

*That Administration prioritize accelerating the process of pre design and design for servicing the Range Road 260 lands that Council has approved as the site of a community recreation facility, and that Administration present for Council's consideration on April 6 or as soon as possible thereafter any additional or ancillary approvals needed to advance that initiative, including a borrowing bylaw, if needed, and a project charter.*

On April 6, 2020, Council passed the following motion:  
(AR-20-140, Range Road 260)

*That the April 6, 2020 agenda report entitled Range Road 260 be received as information.*

*That Administration continue discussions related to Council Motion AR-19-491, including off-site servicing solutions with Rohit and provide recommendations based on outcomes for Council's consideration on May 25, 2020.*

On May 11, 2020, Council passed the following motion:  
(AR-20-175, Time Extension Request- Range Road RR260 Servicing)

*That a deadline extension for the following item be approved:  
Time Extension Request - Range Road RR 260 Servicing extended to Q3 2020.*

On September 28, 2020, Council passed the following motion:  
(AR-20-340, Municipal Stimulus Program (MSP) & Investing in Canada Infrastructure Program (ICIP) Grant Applications)

*That by October 1, 2020 the following projects be submitted for approval to the Province of Alberta related to the Municipal Stimulus Program (MSP):*

- a. Community Amenities - Lakeview - \$5,000,108*
- b. Intersection improvements - Boudreau Road at Bellerose Drive - \$1,000,000*
- c. Intersection improvements - Everitt Drive at Ebony Way - \$805,000*
- d. Solar PV Program - \$1,050,000*

## **BACKGROUND AND DISCUSSION**

### **Project Charter**

The City and Rohit (the current owner of lands targeted to become the Community Amenities Site) are working on a definitive agreement that would provide for subdivision and transfer of lands to the City, and specify the respective obligations of the parties in regard to preparing the lands for development. Administration is targeting to have such an agreement presented to Council for approval in December 2020.

Detailed design has been completed and cost estimates have been calculated for:

- Phase 1A - Off-Site Levy Sanitary Project 8- North Interceptor Trunk Sewer;
- Phase 1B - southern water connection across Ray Gibbon Drive at Giroux Road, core sanitary and storm infrastructure along RR260 adjacent to Old McKenney Avenue.
- Phase 2 - extensions of water, sanitary and storm infrastructure north along RR260 to community amenities site including northern water connection across Ray Gibbon Drive to complete looping.

Phase 3 will include road infrastructure leading south from Villeneuve Road to the community amenities site access. Preliminary estimated costs for this phase are included as part of this project charter. Design and construction of this phase is not anticipated to occur before 2023.

In addition to providing servicing to the Community Amenities Site, some of the infrastructure described above will support development more broadly within the Lakeview Business District.

### Project Tendering

The projects intended for immediate construction, would be tendered in two packages; the first package would include Phase 1A and the second package would include Phases 1B and 2.

In anticipation of receiving Municipal Stimulus Program (MSP) funding approval for the Community Amenities - Lakeview project and to take advantage of potential savings due to current market conditions, Administration will issue the tenders ahead of project approvals. This is an opportunity to explore an alternate option for obtaining construction services and prepare for quick construction mobilization if requisite approvals are obtained. The completion of Phase 2 before December 2021 is an important milestone to maximize the benefit of MSP funding should the City be successful in this grant application.

The project tenders would follow standard City terms and conditions for procurement but would also contain "subject to" clauses that would delay awarding of the project and/or enable cancellation of the project after award without penalty to the City, if associated Council approvals are not secured. The intent of this expedited process is to shorten the typical construction procurement timelines by actioning several overall project components concurrently, without superseding Council's governance function.

## **STAKEHOLDER COMMUNICATIONS OR ENGAGEMENT**

Administration and Rohit have worked collaboratively and responsively in fast-tracking engineering design work of this infrastructure project to position it as a good candidate for MSP funding.

To proceed with Phase 1A construction, Administration has executed utility rights-of-way and temporary working easements with all but one of the five affected property owners. Administration will continue to work with the sole holdout landowner in obtaining the required utility right of way and temporary working easements before exploring alternate mechanisms to secure the remaining required land interest.

## **IMPLICATIONS OF RECOMMENDATION(S)**

### Financial:

Phase 1A - Off-Site Levy Sanitary Project 8- North Interceptor Trunk Sewer is an approved off-site levy project. All costs associated with this project would be chargeable to the Sanitary Off-Site Levy category. It is anticipated that \$12.4M of the estimated project cost will eventually be recoverable by the City as the front-ending party.

This sanitary trunk is intended to act as a major conveyance and storage system which will service growth areas in the west and northwest portions of the City. In addition to providing the servicing to the Community Amenities Site, this project also supports the servicing needed to develop the Lakeview Business Park and other areas.

If approved, the City will utilize \$5.0 Million under the City's MSP allocation toward some of the servicing costs in Phases 1B and 2. It is anticipated that another \$1.89M of the estimated servicing costs will be recoverable within five years through boundary condition agreements with adjacent developers.

The project charter also accounts for Phase 3, road infrastructure and includes land interest and other incidental costs as part of the land transfer agreement. The total estimated project cost is \$25.1M including contingency.

Investing in these projects is anticipated to result also in long-term spin-off financial benefits to the City.

### Legal / Risk:

If this charter is not approved, there is potential for a significant portion of the City's MSP allocation to go unused as it will be difficult to complete construction within the timelines indicated by the terms of the grant. Negotiations with Rohit for the Community Amenities site and adjacent Recreation Lands are ongoing on the basis of the City constructing the necessary servicing infrastructure and having Rohit's design engineer continue as the engineer of record through the construction phase; therefore if this project charter is not approved Administration will have to revisit its approach to these negotiations, which could result in additional delays to executing the servicing and land transfer agreement.

### Program or Service:

If this charter is not approved there will not be an immediate plan for providing servicing to the Community Amenities Site or Lakeview Business Park. The \$5.0 Million in grant funding under the MSP program would be forfeited.

### Organizational:

If this charter is not approved, it could impact the City's plans to bring additional recreational opportunities and economic development to the west side of the City.

## **ALTERNATIVES AND IMPLICATIONS CONSIDERED**

If Council does not wish to support the recommendation, the following alternatives could be considered:

Alternative 1. Cancel/Postpone the project.

**Attachments:**

1. Project Charter- RR260- Community Amenities & Lakeview Business District Servicing

Report Date: November 2, 2020

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