

## GREEN LINE BOARD

### AUTHORIZATIONS

Pursuant to The City of Calgary Bylaw 21M2020:

#### **Providing for the Mandate of the Green Line Board for Authorizations and Approvals for Plans, Processes and Expenditures for the Green Line Light Rail Transit Program**

For the purpose of this “**Green Line Board Authorizations**”, the following capitalized terms have the following meanings:

**Amendment** means an amendment or variation that involves an increase or decrease to the *Contract Budget* of a contract or other identified cost for the *Program*.

**Board** means the Green Line Board established as a Committee of Council on 2020 July 21 pursuant to the *Bylaw* for the purpose of governing the *Program*.

**Budget and Risk Committee** or “**B&R Comm**” means the Green Line Board’s Budget and Risk Committee.

**Bylaw** means the Green Line Board Bylaw 21M2020 passed by Council of The City of Calgary in July 2020.

**Contract Budget** means the total estimated cost of a contract or other identified cost for the *Program* that covers all necessary work to deliver the services or infrastructure that is the subject of the contract or other identified cost but does not include the *Contract Contingency* ascribed to the contract or other identified cost.

**Contract Contingency** means the funds committed to a contract or other identified cost of the *Program* that is reserved and controlled by the *Board* to manage escalated costs arising from unforeseen events, activities, or occurrences during the course of carrying out the contract or managing the identified cost, which is approved together with the *Contract Budget* of the contract or other identified cost.

**Control Account** means an account or line item contained in the *Control Budget* that accounts for the *Contract Budget* and *Contract Contingency* for a contract or other identified cost for the *Program*.

**Control Budget** means the estimated cost of the *Program* for the full scope of work for the *Program*, including, but not limited to, all design, construction, commissioning, administration, and governance, as detailed and developed by the *Program* team, and includes the *Retained Contingency*. The *Control Budget* constitutes the baseline budget for the *Program*, prior to any changes.

**Delegated Authority for the Execution of Contracts** means a Delegation of Authority for executing general agreements for the *Program*, which is completed in accordance with The City of Calgary Bylaw 43M99, approved by the *Board*, and executed by the City Manager.

**Expected Monetary Value** means, with respect to a contract or other identified cost for the *Program* or *Amendments* thereto, an estimated value arrived at by multiplying the estimated cost of the occurrence of potential outcomes (i.e., the materialization of key identified risks, including potential indemnification costs) by the probabilities of those potential outcomes occurring.

**Funding Agreement** means the “Grant Agreement Public Transit and Green infrastructure Project” entered into between The City of Calgary and the Province of Alberta, which sets out the terms and conditions for the provision of funding for the Program by the Province of Alberta and the Government of Canada.

**Green Line** means the Green Line Department established in 2019 by the City Manager and The City’s Leadership Team for implementation of the *Program*, which will exist through to the completion of the design, construction, and commissioning of the *Program*.

**Green Line Phase 1 Program** means the Green Line light rail transit project extending from 126<sup>th</sup> Avenue SE (Shepard) to 2<sup>nd</sup> Avenue (Eau Claire) and all associated or related work (consulting, construction, or other services) required to complete the *Green Line Phase 1 Program*.

**Green Line Phase 2 Program** means the Green Line light rail transit project extending from 2<sup>nd</sup> Avenue (Eau Claire) to 16<sup>th</sup> Avenue NW and all associated or related work (consulting, construction, or other services) required to complete the *Green Line Phase 2 Program*, which may proceed in accordance with Council direction subsequent to the *Green Line Phase 1 Program*.

**Governance and Human Resources Committee** or “*G&HR Comm*” means the Green Line Board’s Governance and Human Resources Committee.

**Level 1 Drawdown** means a drawdown on *Retained Contingency* that is less than 35% of the *Retained Contingency*.

**Level 2 Drawdown** means a drawdown on *Retained Contingency* that is equal to or more than 35%, but less than 50% of the *Retained Contingency*.

**Level 3 Drawdown** means a drawdown on *Retained Contingency* that is equal to or more than 50% of the *Retained Contingency*.

**Planning Committee** or “*PI Comm*” means the Green Line Board’s Planning Committee.

**Program** means the *Green Line Phase 1 Program* and *Green Line Phase 2 Program*.

**Project Agreements** means the contracts, including all ancillary agreements and documents, arising from the procurement of a supplier of light rail vehicles, the procurement of a consortium to design, build, and finance the *Green Line Phase 1 Program*, and the procurement of a consortium to design, build, and finance the *Green Line Phase 2 Program*.

**Retained Contingency** means a portion of the *Control Budget* for the *Program* that is reserved and controlled by the *Board* to manage escalated costs arising from unforeseen events, activities, or occurrences during the course of carrying out the *Program* which are not included or identified in *Contract Budgets* for contracts or other identified costs ascribed to the *Program*, and includes all *Contract Contingency*.

**RFI** means “Receive for information”.

**RFP** means the “Request for Proposals” portion of a procurement process.

**RFQ** means the “Request for Qualifications” portion of a procurement process.

**The City** means the municipal corporation of The City of Calgary.

**Value** means monetary value, or an *Expected Monetary Value*.

Pursuant to the *Bylaw*, the *Board* has the mandate to use its collective expertise to govern and oversee the successful design development, procurement, construction, and commissioning of the *Program*, and to carry out Council direction provided to administration and to the *Board* related to delivery of the *Program*. The mandate of the *Board* requires the *Board* to ensure the implementation of best practices and make decisions with respect to the delivery of the *Program*.

Therefore, pursuant to the authority granted to the *Board* in the *Bylaw*, the *Board* exercises its authority to require the *Program* team to bring forward the matters expressly set out below to the *Board* for authorization and approval. All matters not expressly referenced may be brought to the applicable Committee for information as required, and the Committee Chair, within his or her discretion, may require the matter to be brought to the *Board* for further scrutiny and deliberation.

**A. Authorizations: General Program Documents**

The following documents, plans, or delegations shall be authorized by the *Board* upon recommendation by the applicable *Board* Committee, as follows:

Program Document		Committee and Role	Board Authorization Required
1	Program Charter	<i>G&amp;HR Comm.</i> Recommendation to <i>Board</i>	Yes
2	Delegations of Authority – Execution of Contracts	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes <i>*Executed by City Manager</i>
3	Green Line Board Authorization Process	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes
4	Exemptions or Changes to City Administrative Policies	<i>G&amp;HR Comm.</i> , or other Committee that oversees the policy: Recommendation to <i>Board</i>	Yes <b>Note:</b> Requires approval from City Manager
5	Stakeholder Relations and Communications Strategy and Engagement Plans	<i>PI Comm.</i> Recommendation to <i>Board</i>	Yes
6	Council/Board Interface Plan	<i>PI Comm.</i> Recommendation to <i>Board</i>	Yes

**B. Authorizations: Procurement Processes and Documents**

The following documents, plans, and/or processes shall be approved by the *Board* upon recommendation by the applicable *Board* Committee, as follows:

	Document	Committee Role	Board Authorization Required
1	Overall Procurement Plans and Strategies for: <ul style="list-style-type: none"> <li>a) Light Rail Vehicles (LRV) Supply agreement,</li> <li>b) DBF Phase 1 agreement,</li> <li>c) DBF Phase 2 agreement (as may be applicable), and</li> <li>d) General agreements having a <i>Value</i> equal to or greater than \$20 Million,</li> </ul> and any material changes thereto.	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes
2	For the DBF Phase 1 and DBF Phase 2 (as may be applicable) agreements: <ul style="list-style-type: none"> <li>a) RFQ process, as set out in the RFQ documents, which includes:               <ul style="list-style-type: none"> <li>• schedule, and</li> <li>• evaluation approach;</li> </ul> </li> <li>b) Commercial term sheet;</li> <li>c) RFQ evaluation results and recommendation for a shortlist of proponents for the RFP;</li> <li>d) RFP process, as set out in the RFP documents, which includes:               <ul style="list-style-type: none"> <li>• schedule,</li> <li>• affordability ceiling and scope ladder,</li> <li>• evaluation approach,</li> <li>• proposal submission fee, and</li> <li>• break fee;</li> </ul> </li> <li>e) Cancellation of RFQ or RFP;</li> <li>f) Extensions to procurement schedules for the RFQ or RFP (as may be applicable) if the schedule extension impacts, or may impact, the substantial</li> </ul>	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes

	completion date or revenue service; g) RFP evaluation results and recommendation for first negotiations proponent; h) Recommendation for preferred proponent and notification to unsuccessful proponent; and any material changes thereto.		
3	For general agreements having a <i>Value</i> equal to or greater than \$20 Million: a) RFP evaluation results and recommendation for successful proponent.	<i>B&amp;R Comm:</i> Recommendation to <i>Board</i>	Yes
4	Receipt of Fairness Monitor reports for: a) the LRV procurement process, b) the DBF Phase 1 procurement process, and c) the DBF Phase 2 procurement process (as applicable).	<i>B&amp;R Comm:</i> Receive for Information and send to Board	Receive for Information

**C. Authorizations: Control Budget and Control Accounts**

The *Board* shall have oversight of the *Control Budget* and *Control Accounts*, and expressly authorize the *Control Budget* and transfers of funds between *Control Accounts*, as follows:

	Document	Committee Role	Board Authorization Required
1	<i>Control Budget</i>	<i>B&amp;R Comm:</i> Recommendation to <i>Board</i>	Yes
2	Transfers of funds between <i>Control Accounts</i> if the transferred funds are material <ul style="list-style-type: none"> <li>CEO to discuss with Chair of the <i>Board</i> and Chair of <i>B&amp;R Comm</i> if transfer is material</li> </ul>	<i>B&amp;R Comm:</i> Determines if <i>Board</i> authorization required	As determined by the <i>B&amp;R Comm</i>
3	Transfer of <i>Contract Contingency</i> between <i>Control Accounts</i>	<i>B&amp;R Comm:</i> Determines if <i>Board</i> authorization required	As determined by the <i>B&amp;R Comm</i>

**D. Authorizations: Execution of Agreements for Senior Executives of the Program:**

Document		Committee Role	Board Authorization Required
1	Employment Agreements for Senior Executives, or Amendments thereto	<i>G&amp;HR Comm.</i> Recommendation to <i>Board</i>	Yes <i>*Executed by City Manager</i>

**E. Authorizations: Execution of General Agreements or Amendments to General Agreements**

General agreements such as construction agreements for utilities or enabling works, consulting agreements or agreements with advisors, or any amendments thereto, shall be approved by the *Board*, prior to their execution in accordance with an approved *Delegation of Authority for the Execution of Contracts*, as follows:

Description of Agreement		Committee Role	Board Authorization Required
1	General agreements having a combined <i>Contract Budget</i> and <i>Contract Contingency</i> equal to or greater than \$20 Million	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes
2	<i>Amendments</i> to general agreements having a <i>Value</i> : <ul style="list-style-type: none"> <li>• greater than \$20 Million, or</li> <li>• greater than the <i>Contract Contingency</i> for the agreement, or</li> <li>• occurring within <i>Level 3 Drawdown</i></li> </ul>	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes

**F. Authorizations: Amendments to Funding Agreement**

An *Amendment* to the *Funding Agreement* between the Province of Alberta and The City of Calgary as negotiated and agreed to by *The City/Green Line* shall be approved by the *Board* prior to its execution in accordance with the *Bylaw*, as follows:

Agreement		Committee Role	Board Authorization Required
1	<i>Amendment(s)</i> to the <i>Funding Agreement</i>	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes <i>*Executed by City Manager and City Clerk</i>

**G. Authorizations: Acquisition or Disposition of Real Property**

The total amount of funds for real property required for the *Program*, including station integration agreements, are included in a *Control Account* within the *Control Budget*. The agreements are executed in accordance with Council's delegation of authority for the execution of real property transactions for the *Program* (in accordance with Council Report 2018-0333 or the Real Property Bylaw 52M2009). *Board* authorization, prior to the execution of real property transactions, is required as follows:

Document and/or Purchase/Sale Agreement		Committee Role	Board Authorization Required
1	<i>Control Account</i> for real property transactions (as identified in the <i>Control Budget</i> )	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i> to approve <i>Control Budget</i> (see Part C above)	Yes
2	Real property transactions, including station integration agreements, having a <i>Value</i> equal to or exceeding \$20 Million	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes
3	Any real property transaction that will result in exceeding the approved <i>Control Account</i>	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes

**H. Authorizations: Execution of Project Agreements and Amendments to Project Agreements**

The *Project Agreements* and amendments thereto shall be authorized by the *Board*, prior to their execution in accordance with the *Bylaw* or an approved *Delegation of Authority for the Execution of Contracts*, as follows:

Project Agreements		Committee Role	Board Authorization Required
1	Execution: LRV Supply Agreement	<i>B&amp;R Comm.</i> Recommendation to <i>Board</i>	Yes *Executed by City Manager and City Clerk

2	Amendments to LRV Supply Agreement	<b>Description of Amendment</b>	<b>Committee Role</b>	<b>Board Authorization Required</b>
		<i>Value of Amendment:</i> <ul style="list-style-type: none"> <li>• within the <i>Contract Contingency</i>, but greater than \$20 Million, or</li> <li>• greater than the <i>Contract Contingency</i>, or</li> <li>• occurring within <i>Level 3 Drawdown</i></li> </ul>	<i>B&amp;R Comm. Recommendation to Board</i>	Yes
3	Execution: DBF Phase 1 Agreement / DBF Phase 2 Agreement	<i>B&amp;R Comm. Recommendation to Board</i>		
4		<b>Description of Amendment</b>	<b>Committee Role</b>	<b>Board Authorization Required</b>
<ul style="list-style-type: none"> <li>• DBF Phase 1 Agreement</li> <li>• DBF Phase 2 Agreement</li> </ul>		<i>Value of Amendment:</i> <ul style="list-style-type: none"> <li>• greater than \$20 Million, or</li> <li>• greater than the <i>Contract Contingency</i> or <i>Retained Contingency</i>, or</li> <li>• within Level 3 Drawdown</li> </ul> <p><b>Note:</b> For the DBF Phase 1 and DBF Phase 2 Agreements, the <i>Contract Contingency</i> will be the entire <i>Retained Contingency</i></p>	<i>B&amp;R Comm. Recommendation to Board</i>	Yes  <b>Note:</b> If Amendment is greater than the <i>Retained Contingency</i> , the Amendment will require Council approval



**I. Retained Contingency and Drawdowns**

The *Retained Contingency* and drawdowns on *Retained Contingency* shall be authorized by the *Board* as follows:

	Document	Committee Role	Board Authorization Required
1	<i>Retained Contingency</i> (as identified in the <i>Control Budget</i> )	<i>B&amp;R Comm:</i> Recommendation to <i>Board</i> to approve <i>Control Budget</i> (see Part C above)	Yes
2	<i>Level 2 Drawdown</i>	<i>B&amp;R Comm:</i> Recommendation to <i>Board</i> to approve <i>Level 2 Drawdown</i>  <b>Note:</b> May be approved in conjunction with obtaining approval for execution of any one (or more) of a <i>Project Agreement</i> , general agreement, or real property transaction, or amendments thereto.	Yes
3	<i>Level 3 Drawdown</i>	<i>B&amp;R Comm:</i> Recommendation to <i>Board</i> to approve <i>Level 3 Drawdown</i>  <b>Note:</b> May be approved in conjunction with obtaining approval for execution of any one (or more) of a <i>Project Agreement</i> , general agreement, or real property transaction, or amendments thereto.	Yes

\* Subsequent to the *Board's* approval of this item, the item is sent to the City Manager and City Clerk for execution consistent with the *Board's* authority over the matter as set out in the *Bylaw*.