

**Green Line Report to
Priorities and Finance Committee
2021 May 18**

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PFC2021-0774
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Green Line Board Q1 2021 Report

RECOMMENDATION(S):

The Green Line Board recommends that the Priorities and Finance Committee receive this report for the Corporate Record.

HIGHLIGHTS

- This is the first quarterly report by The Green Line Board, as required in the Green Line Board Bylaw and Terms of Reference.
- What does this mean to Calgarians? Reporting quarterly allows Calgarians to be informed on the progress and governance being undertaken for the Green Line LRT project.
- Why does this matter? This shows that the largest publicly funded project in Calgary's history is being well managed and will contribute to confidence in the project.
- The rolled up quarterly performance of the Green Line Project is shown on the Quarterly KPI Dashboard, see Attachment 2.
- The February and March Monthly Project Reports are Attachments 3 and 4 respectively. There is no report for January 2021.
- The Green Line Project is proceeding in areas that are unaffected by the provincial review. The areas of concern are schedule, cost and stakeholder relations as shown by the overall Red KPI Status on the Dashboard.
- The Green Line Board Bylaw and Terms of Reference was amended on 2021 May 3 that confirmed the requirement of quarterly reports by The Board to Council (Priorities and Finance Committee).
- Strategic Alignment to Council's Citizen Priorities: A well-run city
- Background and Previous Council Direction is included as Attachment 1.

DISCUSSION

Overall: Work with the province to address the recommendations brought forward through their project review is nearing completion. The teams are working collaboratively to address items including procurement and contract strategy, cost and risk.

LRV procurement is underway and the Segment 1 LRT RFP remains paused.

Segment 2 Functional Plan design, planning and engagement has concluded for the Beltline, Downtown/Eau Claire, Bow River Bridge and Centre Street. The functional plan will be brought to Green Line Committee on 2021 May 19.

Most of the scope for the Enabling Works projects are being closed-out.

Functional Updates:

- Safety is going well and issues caused by the pandemic are well managed. Green Line has a strong safety culture.
- Environmental is baselining data for contaminated sites, biophysical and fisheries, trees, noise, greenhouse gases and soils.

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- Schedule is heavily dependent on the procurement and contracting strategies which are impacted by the provincial review.
- Cost is focused on concerns related to escalation and schedule risk.
- Quality is defining contract requirements and supporting the closeout of Enabling Works.
- Commercial team conducted a confidential market sounding with 24 builder/designers, tunnel companies and lenders.

Financial Update: \$16.4 million spent in 2021 with an overall spend of \$634 million to date.

Board Update: The Board has organized into 4 committees: Governance and HR; Planning; Budget and Risk; and Recruitment. The Board met for onboarding sessions throughout January and February with the first official Board Meeting on 2021 March 8.

Next steps:

- The award of the downtown utility relocation Construction Manager contract.
- Opportunities are being identified to further reduce the risk of the main contract.
- Schedule to be revised and baselined following the completion of the provincial review.
- The estimate is being revised and updated based on current escalation estimates.

STAKEHOLDER ENGAGEMENT AND COMMUNICATION (EXTERNAL)

- Public Engagement was undertaken
- Public Communication or Engagement was not required
- Public/Stakeholders were informed
- Stakeholder dialogue/relations were undertaken

Work with the province to address their review recommendations is progressing well, however ongoing uncertainty continues to impact other project stakeholders. There is both a lack of confidence in the project and lack of clarity in schedules and timelines (when will construction begin, when will my community or business be impacted, when will Green Line be built). Upcoming final inform phase of engagement activities in April will provide an opportunity for broader public communication and to share a project update with Calgarians.

During the month of March, stakeholder outreach and engagement occurred through general communications, enquiry responses, direct stakeholder outreach and virtual meetings. An in-person walk with the Business Insights Panel was also organized with their input being used to inform the draft objectives of Green Line's business support program.

Ongoing stakeholder communications continues with businesses currently operating in proximity to Green Line Enabling Works construction in the communities of Ramsay, Highfield, Ogden and South Hill.

All 311 service requests have been addressed and closed.

See Attachment 4 (Appendix 2).

IMPLICATIONS

Social

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Green Line will improve life for many Calgarians including:

- A more accessible city – in 2028, 68,000 people will live within walking distance of rail-based services via Green Line LRT, which will provide access to over 900 community, educational, social service, recreational, or commercial activity centres can be reached using the Green Line LRT
- Connecting people to jobs and businesses to business to catalyze economic development – in 2028, nearly 200,000 jobs will be within walking distance of the Green Line LRT
- A safer and healthier city- over its first 30 years, the Green Line will take cars off the road and lead to 2,300 fewer collisions and 1.6 million km more walked per year
- Meeting the needs of daily travel for work and play – Stage 1 will serve 55,000-65,000 transit users a day in 2028 with a fast, frequent, reliable and direct transit service
- Needed capacity for today and tomorrow – Stage 1 will provide capacity to meet demand and provide customers an exceptional customer service with opportunities to expand capacity without significant expenditure into the future

Faster travel times for Calgarians – travelers who use the Green Line will save up to 20-25 minutes, while auto users will benefit from an up to 10% journey time reduction due to decongestion.

Environmental

Green Line will reduce emissions to mitigate climate change and provide cleaner air – by taking cars off the road, Stage 1 will save up to 30,000 tons of Greenhouse Gas emissions a year in support of municipal, provincial, and federal environmental goals.

Economic

The Green Line LRT construction will generate jobs and support economic development – 12,000 direct and 8,000 supporting jobs are forecast to be developed by Stage 1 alone

The project fosters Transit Oriented Development (TOD) and shaping Calgary's growth – direct connection to six high priority Transit Oriented Development (TOD) areas including future potential for over 1 million square feet of new residential development and 160,000 square feet of new office and retail space.

Service and Financial Implications

Existing operating funding - one-time

The Green Line Program is a \$5.5 billion total program for Stage 1. This report has no additional financial impact. Please see Attachments 3 and 4 for more details on financials.

RISK

Project currently has a high amount of risk and uncertainty and below are some of the primary risk items for the program right now. There is a detailed risk register and risk management strategies that are regularly reviewed and updated by the team.

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- Finalization of the provincial review which will confirm the funding, updates to the funding agreement and the path forward.
- Vacancies within the leadership team and recruitment is underway to fill these positions.
- Competitive pressure in the marketplace in Canada creates limited available capacity for the proponent expertise required. Procurement strategies are under development to address this risk.
- Time delays and anticipated cost escalation result in increased budget pressure. Further refinement of cost estimates and risk understanding is underway to address these risks.
- Continued delays in moving the program forward has eroded stakeholder confidence. Green Line is in regular communication with stakeholders to provide updated information as it becomes available.

ATTACHMENT(S)

1. Previous Council Direction, Background
2. Quarterly KPI Dashboard
3. Green Line Board February Report
4. Green Line Board March Report

Department Circulation

General Manager/Director	Department	Approve/Consult/Inform
Michael Thompson	Green Line, General Manager	Approve
Lisa Adamo	Green Line, Commercial Director	Consult
Sheryl McMullen	Green Line, Business Services Director	Consult
Wendy Tynan	Green Line, Stakeholder Relations Director	Consult