

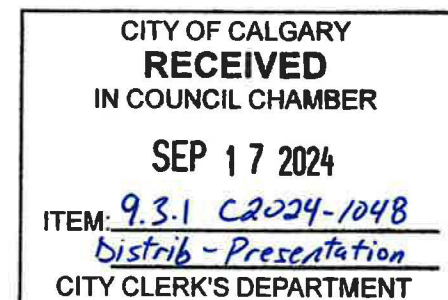


Green Line Board **PowerPoint**

Phase 1 Wind Down Plan

Green Line LRT Project

September 17, 2024





RECOMMENDATIONS

That the Green Line Board recommend that if Council approves the wind down of the approved Phase 1 Project (Lynnwood/Millican to Eau Claire), Council also:

1. Accept the Council Report (C2024-1048) and confidential attachment for the Corporate Record;
2. Approve the transfer of the Green Line Program to City Administration by December 31, 2024; and
3. Direct that the Closed Meeting discussions, presentation and the Confidential Attachment be held confidential pursuant to Sections 23 (Local public body confidences), 24 (Advice from officials), 25 (Disclosure harmful to economic and other interests of a public body) and 27 (Privileged Information) of the *Freedom of Information and Protection of Privacy Act*.



INITIAL ACTIONS

Following the September 4 Council direction, Green Line initiated a series of actions towards the orderly wind down in advance of a Council decision to terminate the Phase 1 project and approval of the wind down plan. These initial actions:

- Paused all discretionary spending and forward-looking work (e.g., construction readiness preparation, contract negotiations).
- Communicated provincial letter and resulting Council direction to develop a wind down plan to key contractors.
- Communicated a project update to all Green Line interested parties.
- Initiated an assessment of each contract to determine status and inform decisions (e.g., suspend activity, terminate, assign to City).
- Supported the City in ongoing discussions with funding partners.
- Developed the Wind Down Plan, which was endorsed by the Green Line Board on September 16, 2024.



GUIDING PRINCIPLES

1. Safety First – safety for construction workers and the public is paramount, especially for the 78th Avenue and BDURP projects, and of primary consideration in making decisions related to active construction projects.
2. Cost and risk mitigation – the Green Line Board and team are obligated to mitigate forward-looking expenditures and risks for Green Line Phase 1 scope given Council’s direction to provide a wind down plan.
3. Value preservation – options and recommendations consider the possibility of future delivery of the Green Line and other City opportunities (e.g. development).
4. Efficiency and Effectiveness in winding down and transitioning the Project to the City.



PEOPLE

- **Almost 250 Employees and Consultants** were supporting the program on behalf of the City and approximately **800 staff from our contractors**.
- Green Line team members will begin transitioning from the project starting September 18, 2024.
- To support the orderly wind down, a small number of staff will be retained until the transfer to the City is completed, no later than December 31, 2024.



CONTRACTS

- There are over 70 contracts that need to be addressed as part of the wind down plan.
- Most of these contracts will have provisions that can be considered in the context of a wind down and dependent on future decisions.
- Additional potential litigation risks have not been fully assessed by City Administration.



FINANCIAL EXPENDITURES

Category	Value
Expenditure to date (August 31st, 2024) ~\$650M spent prior to 2021 funding partner approval	\$1.308B
Wind Down Expenditure Forecast and Estimated Risk Value*	\$850M
Potential Expenditure	\$2.153B

* This is a preliminary estimate based on land and utility risk. A full assessment of costs and risks is underway.



NEXT STEPS

- Green Line team members will begin transitioning off of the project starting September 18, 2024.
- Contractors will be formally notified about the status of their contracts.
- The Green Line Board will streamline their current structure and membership to enable nimble and timely decision-making to support the execution of the wind down plan.
- Current active utility construction in the Downtown will continue and be completed in October 2024 (Calgary District Heating - CDHI).
- The 78 Avenue Project will continue and be substantially complete in November 2024 before being transferred to the City to conclude the work by July 2025.



NEXT STEPS

- Work will commence to document:
 - The status of the Project (costs, risks, design, contracts, documentation, potential disputes/claims, etc.) as of completion of wind-down and transfer to City and;
 - All key wind-down actions, decisions, and risks up to and including when the Project is halted;
 - And archive all Green Line Board reports, decisions and Diligent materials.



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