

CALGARY SOUTHWEST RING ROAD - DEEP UTILITY RELOCATIONS

EXECUTIVE SUMMARY

Alberta Transportation (The Province) is moving forward with preparations for construction of the South West (SW) Ring Road. The integration of the new ring road with Calgary's road and utility infrastructure includes abandoning the existing major storm sewer trunk that crosses through the Tsuu T'ina Nation lands and replacing it with a new storm trunk to be located within the Transportation and Utility Corridor (TUC) and 37th Street S.W. Right-of-Way (See Attachment 1). The Province has committed to finance all costs related to the relocation of this storm infrastructure.

To facilitate timely construction of the ring road, The Province has requested the storm trunk relocation project to be constructed by Water Resources (Attachment 2). Administration is recommending a capital budget increase of \$17.4 million for the 37th Street Storm Trunk Relocation project. The approval of the capital budget is required to enable Water Resources to proceed with the Storm Trunk Relocation project in order to meet The Province's requested completion date of 2016 June 30.

In addition, two existing feeder mains that service the Lower Sarcee Reservoir will be impacted and will require alterations to accommodate construction of the ring road. Water Resources is working with The Province on the details of the scope and a similar funding agreement for this project. The costs will be fully recoverable from The Province, and the capital budget will be requested once the scope has been finalized.

ADMINISTRATION RECOMMENDATION(S)

That the Priorities and Finance Committee recommend that Council:

1. Approve capital budget appropriations for 2014-2016 in Program 897-363 (Drainage / Storm Relief Projects) for the 37th Street Storm Trunk Relocation project, with reimbursement of all project costs from The Province as per the letter dated 2014 June 16, from Alberta Transportation to Water Resources (Attachment 2).

PREVIOUS COUNCIL DIRECTION

References to the relocation or abandonment of existing City infrastructure in Tsuu T'ina Nation lands were noted in the following reports to Council in-camera:

- C2011-83 references The City's position on the relocation or abandonment of existing City infrastructure crossing Nation land;
- C2013-0309 references The City's position that it will not pay to relocate existing utilities crossing Nation land;
- C2014-0160 references The City's position that it will not pay to relocate existing utilities crossing Nation land and the conclusion of negotiation of the Master Servicing Agreement (MSA) between the Tsuu T'ina Nation and The City which protects City infrastructure crossing Nation land; and
- In 2013 November a verbal presentation to Council referencing the MSA which protects City infrastructure crossing Nation land.

In 2013 November a verbal in-camera report, VR2013-0079, South West Ring Road Community Communication and Engagement Plan Update was presented to Council.

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In 2014 March, the MSA within the Tsuu T'ina Nation was executed, which contractually protects City infrastructure crossing Nation land.

BACKGROUND

The Province is moving forward with preparations for construction of the South West (SW) Ring Road, following Tsuu T'ina First Nation's vote in favour of the land agreement which will facilitate the completion of the ring road. The integration of the new ring road with Calgary's road and utility infrastructure includes abandoning the existing major storm sewer trunk that crosses through the Tsuu T'ina Nation lands and replacing it with a new storm trunk to be located within the Transportation and Utility Corridor (TUC) and 37th Street S.W. Right-of-Way (Attachment 1). The Province has committed to finance all costs related to the relocation of this storm infrastructure.

In 2014 April, The Province requested Water Resources to undertake all work to pre-build the new storm trunk starting at Lakeview Drive S.W., south on 37th Street S.W., to a new discharge point into the Elbow River south of 37th St S.W.. The remaining work to connect this new storm trunk to the existing storm duct north of Glenmore Trail will be completed by The Province during the construction of the Glenmore Trail – 37th Street S.W. Interchange as part of their SW Ring Road Project. To facilitate timely construction of the ring road, including relocation of an existing 240 KV AltaLink electrical transmission line that also currently crosses the Tsuu T'ina Nation lands, The Province has requested the storm trunk relocation project to be completed by 2016 June 30. Water Resources has agreed to Alberta Transportations' request, subject to Council approval.

In addition, two existing feeder mains that service the Lower Sarcee Reservoir will be impacted and will require alterations to accommodate construction of the ring road. The cost will also be fully recoverable from The Province. At present, the cost estimate is in the order of \$2.2 million, which includes an allowance for internal City costs associated with the delivery of the work by Water Resources.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

As stipulated in the attached letter dated 2014 June 16, the class 5 construction cost estimate for the storm trunk relocation is \$16.1 million. Allowing for internal City costs associated with the delivery of the project results in a project cost estimate of \$17.4 million. Prior to tendering the project, refined cost estimates will be provided to Alberta Transportation to confirm the funding agreement is adequate or to identify any additional funding that may be required pending the award of the construction contract.

Advancing the deep utility relocations will advance construction of the Calgary ring road project, which will provide an improved road network within Calgary. Water Resources' role in the project will ensure that the quality of infrastructure meets The City's standards and that public engagement is carried out to the City's requirements.

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Stakeholder Engagement, Research and Communication

Extensive stakeholder engagement and communication will be required for delivery of the storm relocation project. In particular, due to the location of the new storm trunk alignment on 37th Street S.W. several residents and the general public will be impacted. Water Resources will ensure that communication and engagement with the community will be coordinated and aligned with The City's Engage! policies and procedures in order to deliver consistent, timely, and accurate information.

Alterations to the Lower Sarcee feedermain will also comply with The City's standard stakeholder engagement and communication procedures.

Strategic Alignment

Input into the projects will be aligned with all City policies, including but not limited to The City's environmental protection policies, The City's standard design guidelines, public and community engagement policies as outlined in Engage, the Calgary Transportation Plan, and The City's standard safety policies. The projects will ensure that impacted stakeholder groups are engaged in the process as the projects move forward.

Delivery of these projects by The City is in the best interest of the citizens of Calgary to ensure that the projects are administered in accordance to The City's standards and policies. Both utility relocations will become part of The City's underground infrastructure.

Social, Environmental, Economic (External)

There are a number of social, environmental, and economic (external) factors that impact these projects. These projects will involve extensive engagement with the citizens and The Province. The storm relocation will include impact to adjacent properties and changes to traffic patterns during and post construction, with improved traffic mobility in the area once the ring road is complete. The work involves the storm trunk crossing a previously undisturbed natural area and construction of a new discharge structure to the Elbow River. Water Resources will ensure that the design and construction in the environmentally sensitive areas adhere to The City's environmental management and protection policies.

The feedermain relocation is necessary to enable construction of the ring road and the specific scope of work is currently being finalized as the ring road design advances.

Completing this phase of the ring road project will allow The Province to move forward with their delivery for improved traffic mobility within the area.

Financial Capacity

Both deep utility relocations will be fully funded by The Province, including City internal costs.

Current and Future Operating Budget:

There are no current or future operating budget impacts associated with this report. Operating and maintenance costs associated with the relocated infrastructure will be equivalent to the present costs to operate and maintain the existing infrastructure that is being replaced.

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Current and Future Capital Budget:

Capital budget approval is required for The City to enter into contracts for the projects. The approval of the \$17.4 million capital budget is required to enable Water Resources to proceed with the 37th Street Storm Trunk Relocation project in order to meet The Province's requested completion date of 2016 June 30.

Water Resources is working with Alberta Transportation to confirm the details of the scope and funding agreement for the Lower Sarcee Feedermain project. The capital budget for the Lower Sarcee Feedermain project will be requested once the scope has been finalized.

Both deep utility relocations will be fully funded by The Province, including City internal costs.

Risk Assessment

If the requested capital budget appropriation for the 37th Street Storm Trunk Relocation project is not approved by Council, Water Resources will not be able to proceed with delivery of the deep utility relocation in support of The Province's ring road project. This could place the quality of infrastructure at risk of meeting The City's standards. Another result could be a delay of construction of the ring road and its integration with The City's road network and utility infrastructure.

REASON(S) FOR RECOMMENDATION(S):

This report is intended to obtain Council approval for capital budget appropriation to enable Water Resources to proceed with construction of the 37th Street S.W. Storm Trunk Relocation in support of The Province's SW ring road project.

ATTACHMENT(S)

1. General Site Plan showing the existing storm alignment to be abandoned and the proposed new storm trunk relocation on 37th Street S.W.;
2. Letter dated 2014 June 16 from Alberta Transportation to The City of Calgary Water Resources; and
3. Letter dated 2013 December 10 from the Office of the Minister of Alberta Transportation to The City of Calgary