



Integrated Infrastructure Services

**Consulting Engineers of Alberta (CEA) Transportation
Conference 2023 (February 26-28)**

Municipal Infrastructure - Growth and Renewal

Capital Budget Development

The Strategic Context

CONNECTEDMONTON GOALS



CITY PLAN BIG CITY MOVES



COUNCIL PRIORITIES

Community Safety and Well-Being

Arts and Culture

15 minute Districts/
District Planning

Mobility Network

Economic Growth

Climate Action and Energy Transition

2023-2026 Capital Budget



Capital Planning Principles

- Achieve best results for the city overall
- Use cash (PAYG and grant funding) for ongoing projects
- Borrowing for new significant projects (eligible under DMFP)
- Consider borrowing capacity
- Identify funding source for debt servicing (when the debt is proposed)
- Align to The City Plan's Big City Moves (deliver on the 2050 ConnectEdmonton vision)
- Optimize investment in existing municipal infrastructure
- Balance the renewal of existing infrastructure and the demand for new infrastructure growth
- Identify and account for all future operating, maintenance and renewal costs

Capital Project and Programs - Key Definitions

Projects/Programs

Renewal Projects

Investments in existing infrastructure to restore it to its former condition and extend its service life.

Growth Projects

Investments in new assets and projects that add to or enhance components of existing infrastructure assets that improves the type of service provided and/or improves functionality.

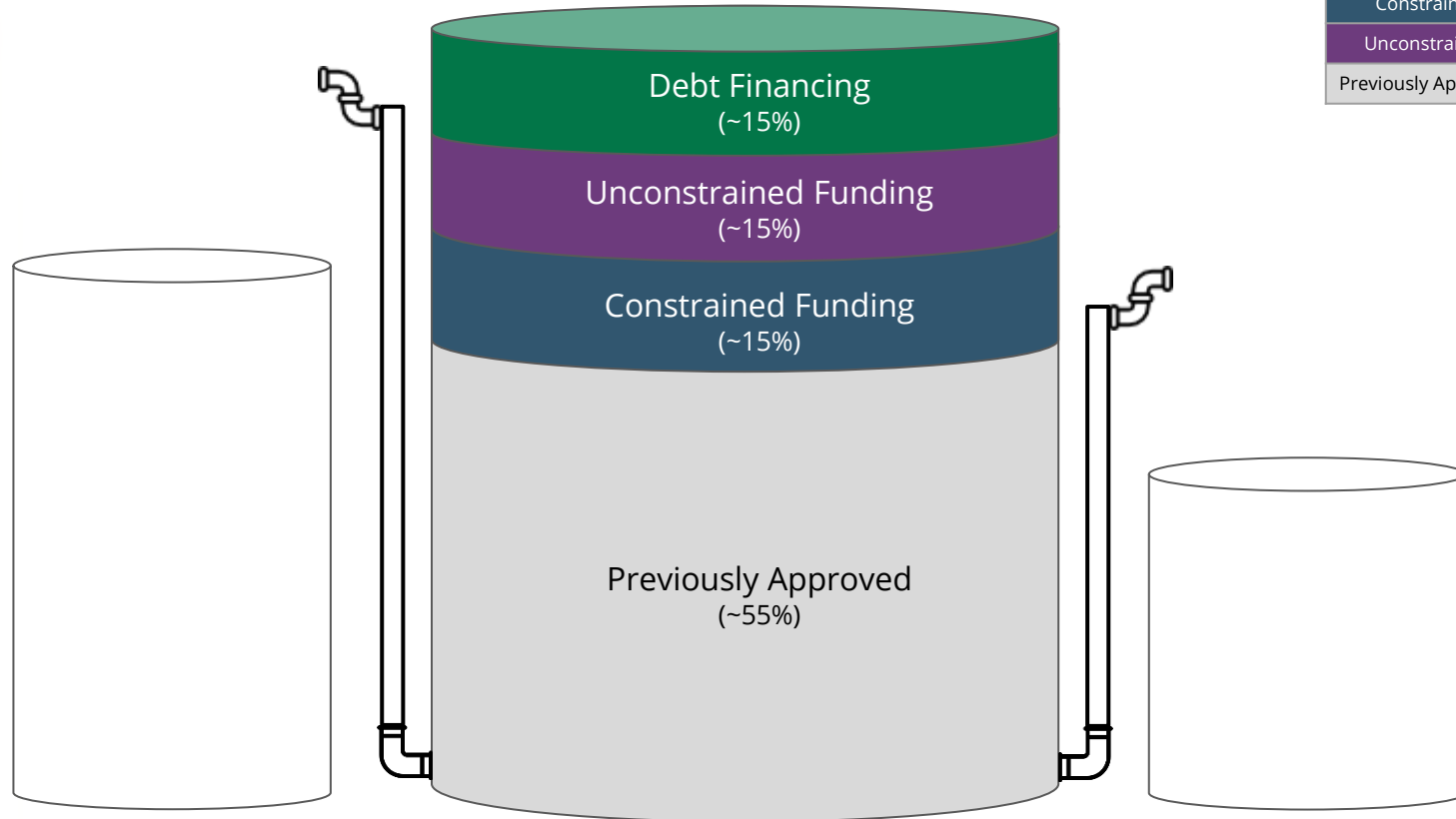
Renewal Program Ideal Investment

Combination of:

- A. Renewal investment required to bring City assets to their target physical performance levels.
- B. Growth investment recommend for renewal projects to address demand, capacity, and functionality deficiencies to align assets with approved strategies, policies, standards, and public expectations.

BUILDING THE CAPITAL BUDGET

| Legend |
|-----------------------------|
| Debt Financing |
| Constrained Funding |
| Unconstrained Funding |
| Previously Approved Funding |



GROWTH
BUDGET

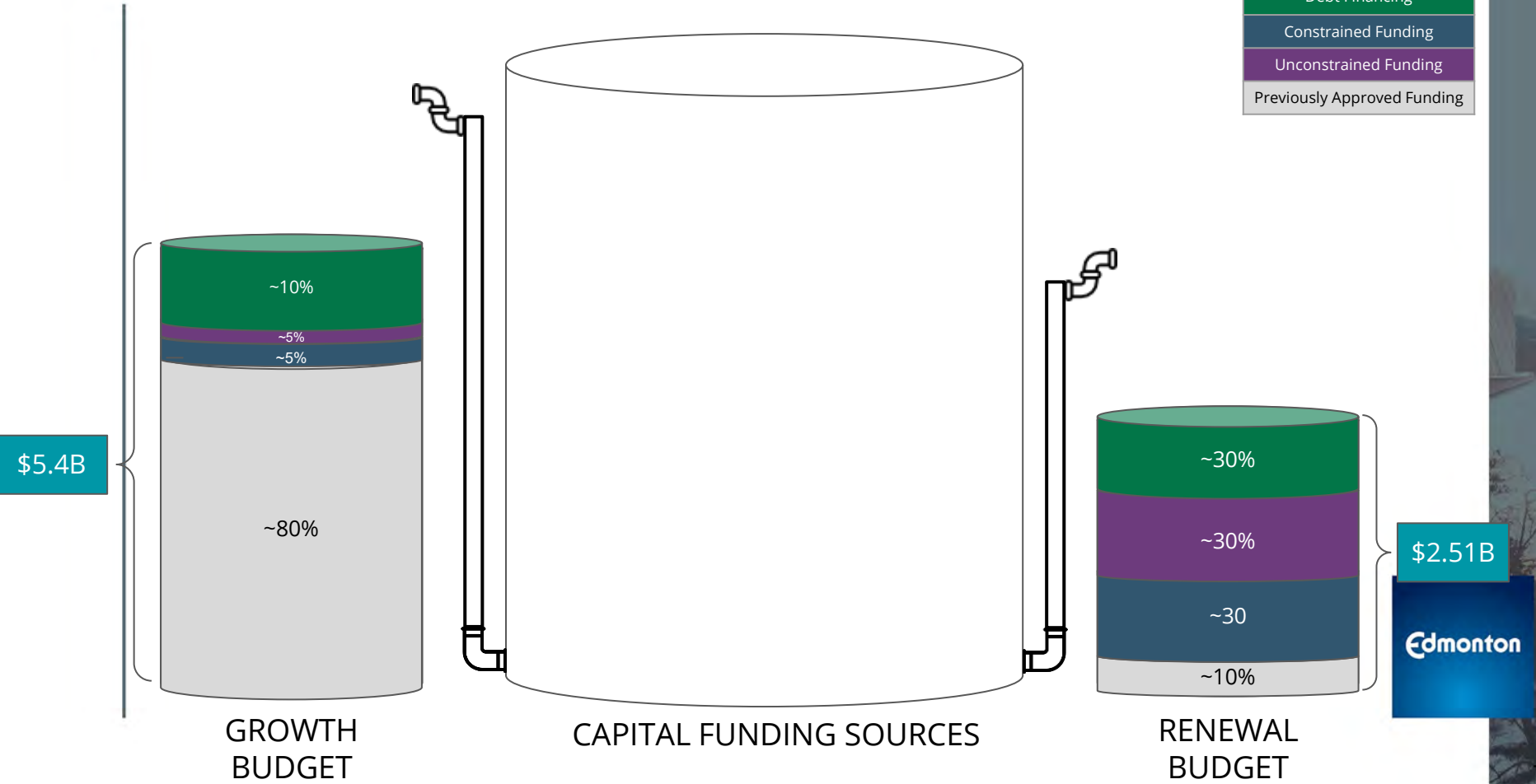
CAPITAL FUNDING SOURCES
AVAILABLE

RENEWAL
BUDGET



BUILDING THE CAPITAL BUDGET

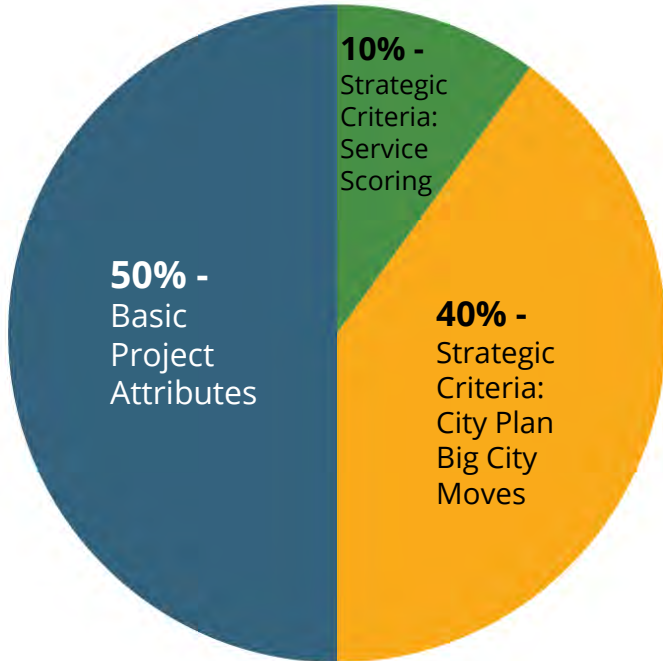
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Infrastructure Growth

Prioritization for Growth Projects

Capital Criteria Growth



Basic Project Attributes

Mandate to Provide Asset

Reliance on City to Provide Asset

Portion of Community or Organization Served

Change in Demand for Asset

Corporate Operational Risk

Cost Recovery of Asset Investment

Safety of Community or Organization

Big City Moves


Greener as We Grow

Inclusive and Compassionate

Community of Communities

Catalyze and Converge

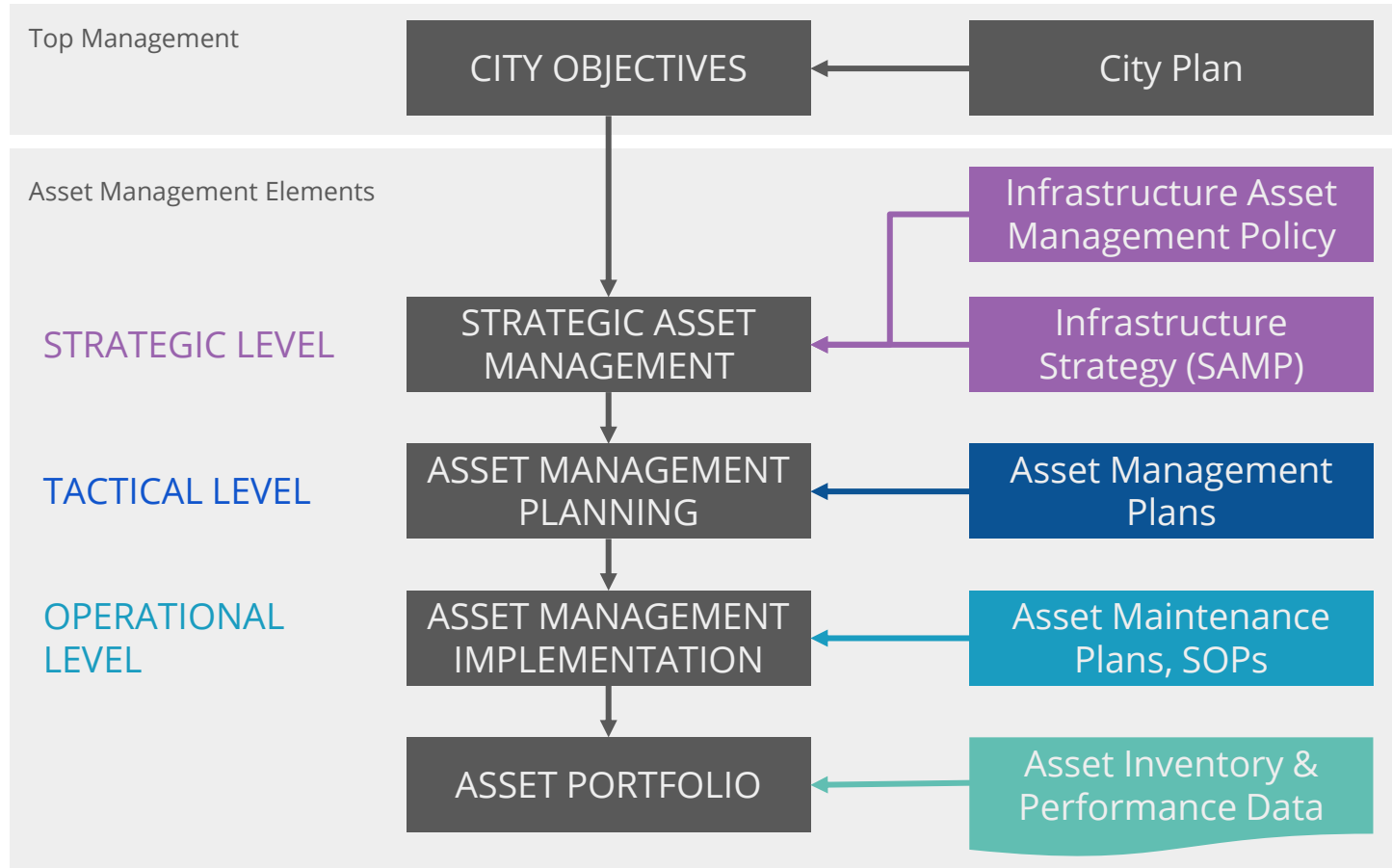
Rebuildable City



Asset Management and Infrastructure Renewal

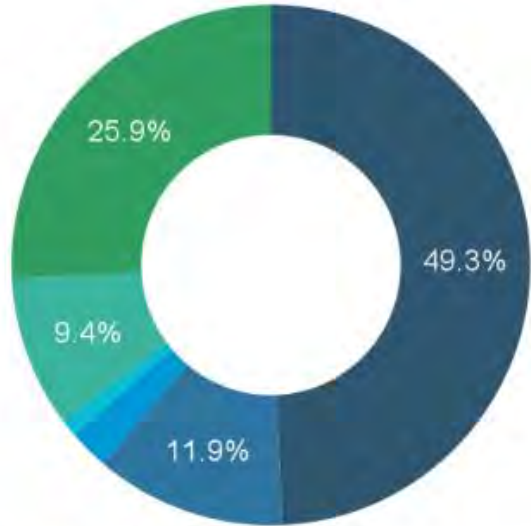
Edmonton

The City of Edmonton Asset Management Framework



Asset Inventory and Renewal

Current Asset Value Distribution
Replacement Value: \$31.6 Billion



- Goods and People Movement
- Open Space
- Service Delivery
- Utilities
- Ancillary Infrastructure
- Facilities



Renewal Targets and Ideal Investments

Renewal Targets

| Importance Level | Average Condition Index | Severity | % of Assets in D&F | % of Assets in F | Examples |
|------------------|-------------------------|----------|--------------------|------------------|--|
| High | 3.5 | 200 | 1% | 0% | River Crossing Bridges, Self Contained Breathing Apparatus |
| Medium-High | 3 | 200 | 5% | 2% | LRT Track Structure |
| Medium | 2.75 | 200 | 10% | 5% | River Valley Stairs |
| Medium-Low | 2.5 | 200 | 20% | 7% | Bus Shelters |
| Low | 2.25 | 200 | 40% | 10% | Signage, Furniture and Audio-Visual Equipment |

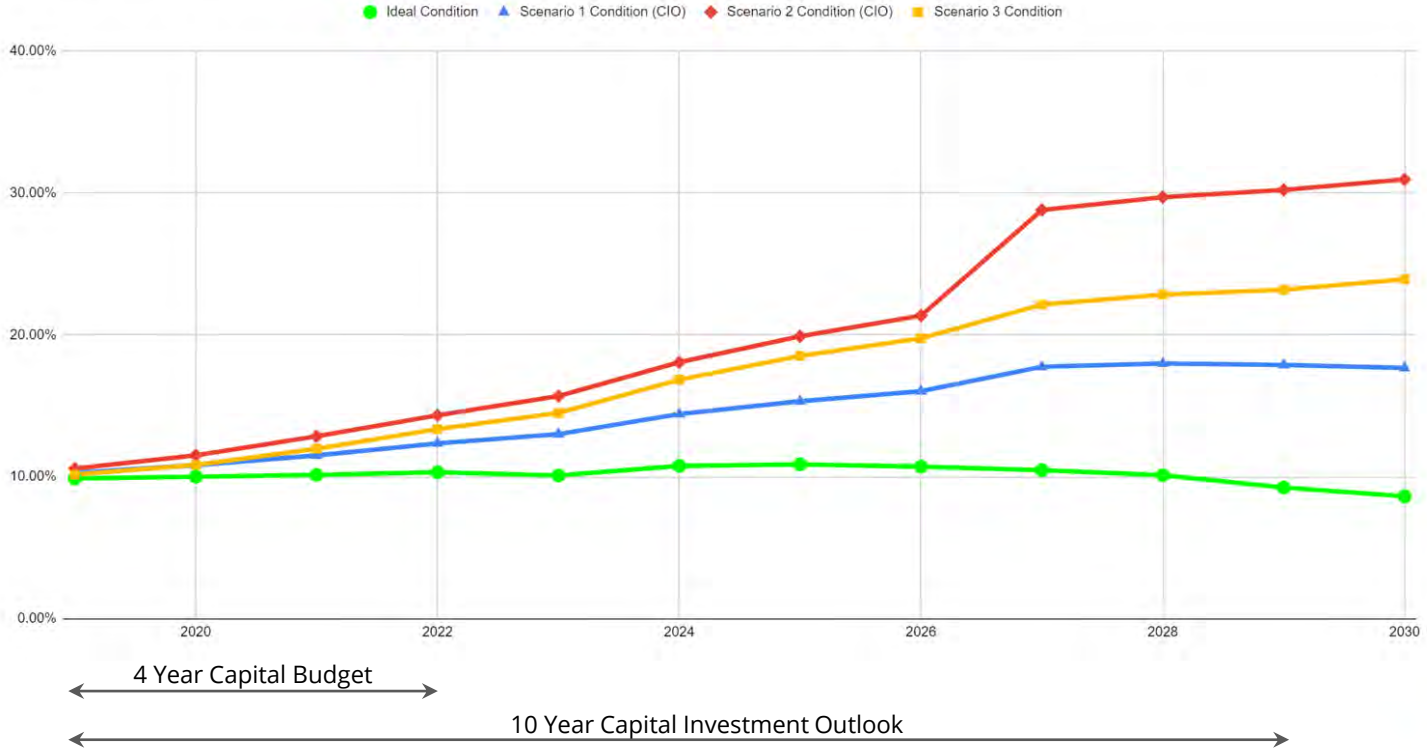


RIMS Ideal Investment

| \$000's | 2023 to 2026 |
|--|------------------|
| RIMS Ideal | |
| Ideal Investment - Renewal Portion | 3,169,175 |
| Ideal Investment - Growth Portion | 406,409 |
| Total RIMS Ideal Recommended Investment | 3,575,584 |

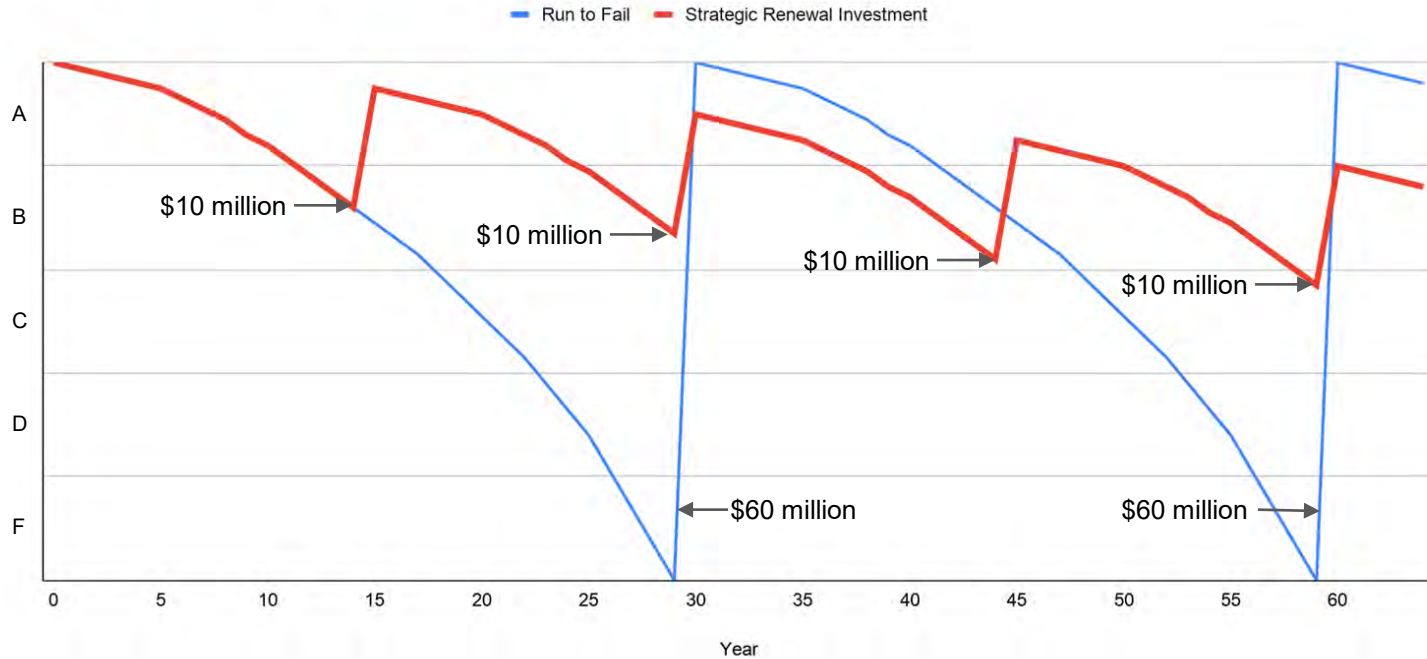
RIMS Scenarios

Projected Asset Conditions All City Assets

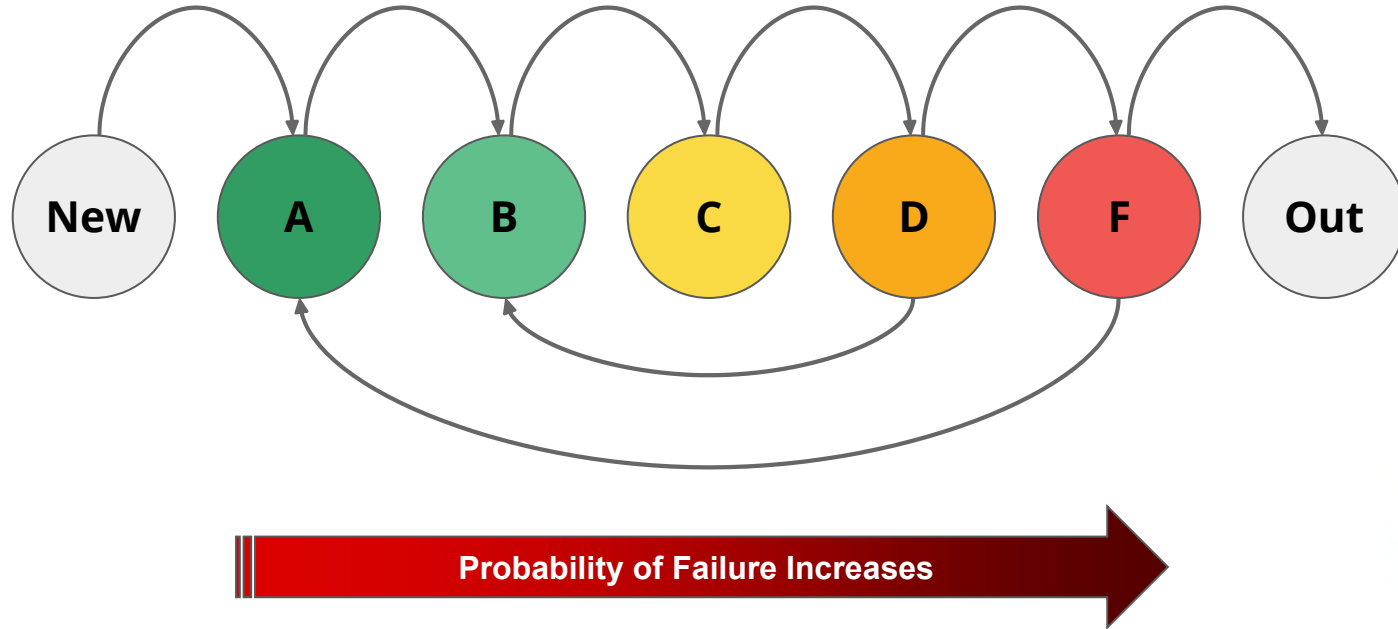


Re-Investment in Infrastructure

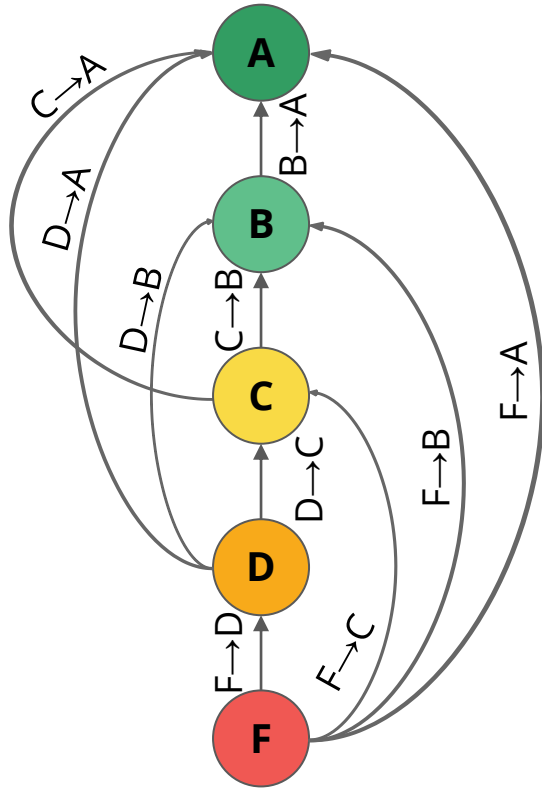
Run to Fail vs Strategic Renewal Investment



Deterioration of Infrastructure and Risk



Road Renewal Approach



The background of the slide features a blurred, low-angle photograph of a modern glass-walled building on the left, with dark silhouettes of trees and a clear sky on the right. A thin white vertical line is positioned on the left side of the slide.

City of Edmonton 2023-2026 Capital Budget

The logo for the City of Edmonton, consisting of the word "Edmonton" in white text on a blue square background.

Edmonton

2023-2026 Budget - Priorities

Approved combined funding of \$21 billion:

- **\$8 billion in Capital funding for new infrastructure and to maintain existing infrastructure, including:**
 - Active modes such as advancing the bike plan, reaffirming commitment to the LRT, Yellowhead Trail and Terwillegar Drive projects
 - Climate change initiatives that will focus on building energy retrofits, net-zero buildings, and solar array installations
- **\$13 billion in Operating costs to focus on delivering and improving services to advance the City Plan goals and outcomes:**
 - Affordable housing, homelessness prevention and an affordable housing grant program
 - Transit services, including expanding and making On Demand transit service permanent and transit off peak service
 - Enhanced snow and ice control
 - Energy transition and climate adaptation
 - Transit safety

Renewal - Funding Levels



Comparison of Ideal Renewal Investment and Funding Levels

| \$000's | Renewal Program Funded with Constrained Funding and Bridge Program funded at 100% | Renewal Program Funded with Unconstrained Funding | Total |
|-------------------------------|---|---|-----------|
| RIMS Ideal Renewal Investment | 1,214,780 | 2,360,804 | 3,575,584 |
| Funded Renewal Investment | 1,214,780 | 852,241 | 2,067,021 |
| % of RIMS Ideal Funded | 100.0% | 36.0% | 57.8% |



2023-2026 Budget

| \$000's | Total 2023 to 2026 | 2027 and Beyond | Grand Total |
|--------------------------------------|---------------------------|------------------------|--------------------|
| | | | |
| Total Capital Budget | | | |
| Growth | 4,975,613 | 427,156 | 5,402,769 |
| Renewal | \$2,067,021 | 288,500 | 2,355,521 |
| Total Approved Capital Budget | 7,042,634 | 715,656 | 7,758,290 |

Construction Delivery Methods

- Design - Bid - Build - Neighbourhood Renewal and Arterial Renewal
- Construction Consultant General Contractor - 50 Street Overpass
- Construction Management - Yellowhead Trail (St. Albert trail to 97 Street)
- Design Build - Capital Line South Extension
- Public-Private Partnership - Valley Line

Our Ask of Infrastructure Partners

- **Creativity, flexibility and innovation**
 - doing more with less, specifically infrastructure renewal
- **Awareness and action in support of Council priorities**
 - City Plan Implementation (15 minute communities)
 - Climate Change (Energy Transition Strategy, adaptation/resilience)
 - Transit Improvements (optimization and expansion)
 - Affordable/Supportive Housing

Question?