



CITY POLICY

POLICY NUMBER: C591

REFERENCE:

City Policy C578 - Multi-year Budgeting Policy
City Policy C203C - Debt Management Fiscal Policy
City Policy C513 - Public Involvement

ADOPTED BY:

City Council April 25, 2017

SUPERSEDES:

New

PREPARED BY: Integrated Infrastructure Services

DATE: April 18, 2017

TITLE: **Capital Project Governance**

Policy Statement:

The City of Edmonton is committed to achieving effective and efficient use of public funds dedicated to capital projects. In order to inspire trust among citizens and Council in the City's commitment and ability to deliver quality infrastructure, Administration will ensure that sufficient information is prepared in advance of the Capital Budget process to support informed investment decisions.

The City of Edmonton will adopt a Project Development / Delivery (PDD) approach that will ensure a phased approach is used for all capital projects. This includes but is not limited to infrastructure, fleet and equipment, information technology investments, and land. The PDD involves formal checkpoint reviews of the project as it progresses through the strategy, concept, design, build and operate value chain. This approach will be used to reduce the risk of issues arising during project delivery and ensure that thorough vetting and analysis have been completed prior to full approval.

In certain cases, there will be modified approaches or exceptions to allow accelerated project schedule, to be guided by the following criteria:

- Opportunities for special external funding, e.g. grants
- Low risk projects that can achieve cost reductions due to schedule acceleration
- Council directed priority projects

Exceptions will be evaluated on a case-by-case basis and approved by the City Manager when within delegated authority and where there's no material impact to budget, timeline or scope. Otherwise, exceptions shall return to Council for approval.

This policy is subject to any specific provisions of the Municipal Government Act or other relevant legislation or Union Agreement

In order to provide resources for development of business cases prior to budget deliberations, Council will allocate resources for planning and design through the capital budget process with a target of two (2) to four (4) percent of the overall capital budget. These dedicated funds will be used to incorporate an appropriate level of planning and design into budget submissions. Priority project lists will be maintained to ensure appropriate projects are advanced for further planning and design and into the capital budget process.

The purpose of this policy is to:

Provide an overall framework to guide the management of the City's capital projects. This policy clarifies the City's phased approach to project development / delivery, criteria for fast-tracking and funding for adequate planning and design.