

To: Chief Administrative Officer **Date:** June 6, 2022
From: Allen Xu, Manager of Engineering Planning and Assets
Subject: **Funding Request for the 7th Avenue Greenway Project Phase 1**

Recommendation(s)

1. That the budget for the 7th Avenue Greenway Phase 1 project (between Fraser River Heritage Park and Grand Street) be increased by \$740,467 with \$356,400 funded from the Roads (all areas) DCC, \$3,600 from the Roads Capital Reserve and \$380,467 funded from the Community Works (Gas tax) Reserve; and
2. That the City's Financial Plan be amended accordingly.

Purpose

The 7th Avenue Greenway (Greenway) project team has recently completed the detailed design which included the addition of the Murray Street and 7th Avenue traffic signal installation. Project cost estimates were also updated based on market prices as of May 2022.

This report seeks Council's approval to updated the budget for the 7th Avenue Greenway Project Phase 1, to proceed with construction in 2022 and to amend the financial plan accordingly.

Background

The Council's Strategic Plan aims to create a safe, liveable and complete community for all citizens of Mission. Through the planning, design and construction of the 7th Avenue Greenway Project, the City will provide a 6.5 km active transportation corridor connecting the east and west of Mission for people of all ages and abilities to enjoy while accessing major education, recreation, commercial facilities and amenities. The Greenway project is being designed and developed as part of the City's strong commitment to continuously improving roadway safety for our citizens and making it easier for people of all ages and abilities to drive, walk, wheel or cycle.

Phase 1 of the 7th Avenue Greenway Project is a 1.6 km section from Grand Street to Fraser River Heritage Park. Staff has conducted extensive public and stakeholder engagement while evaluating various design options and conceptual designs throughout 2021.

On September 23, 2021, Engineering staff hosted a site tour of the 7th Avenue Greenway to introduce and review the design concept and options with Council and to visit other active transportation facilities in the City of Maple Ridge and the City of Surrey. Staff has conducted additional analysis and updated the design while engaging a focused group of stakeholders, based on feedback heard during the tour and experience shared by other municipalities.

City staff applied for a grant intake for the Provincial Active Transportation Infrastructure Grant Program. The Province recently announced that the City of Mission was successful and will receive a grant of \$500,000. The conditional grant agreement that was recently signed by the City and the Province requires that the Phase 1 project be completed no later than March 31, 2024.

Four staff reports have been presented at previous meetings throughout 2021 to inform Council of public engagement, project design and grant application status.

Most recently, on December 20, 2021, Council approved that the 7th Avenue Greenway Project Phase 1 to proceed to the next phases of finalizing the design for tender and construction.

Discussion and Analysis

Murray Street and 7th Avenue Traffic Signal Upgrade

The full signalization of the 7th Avenue and Murray Street intersection was identified as a future project (planned for 2026) in the most recent Development Cost Charge (DCC) Bylaw 5714-2018, with an estimated cost of \$360,000. This signalized intersection upgrade work was not initially in scope for the 7th Avenue Greenway Project Phase 1.

In the December 2021 report, staff outlined plans to further the design details of this intersection and will update Council and seek appropriate project and funding approvals when the design work is completed.

In the first few months of 2022, staff worked with the design consultant who has completed a detailed design of the signalized intersection at Murray Street and 7th Avenue, which drawings are attached in Attachment A. The consultant has reviewed and confirmed the estimate cost is \$360,000.

Project Cost Estimates and Funding Summary

A total budget of \$1,990,913 was approved by Council during the 2021 budget process with \$1,490,913 funded by gas tax and \$500,000 funded by the grant from the Provincial grant.

Based on the engineering consultant's detailed design and most recent construction unit prices for 2022, the total funding required for the 7th Avenue Greenway project is as follows:

	Cost Estimates	Notes
7 th Avenue Greenway Phase 1 (from the Fraser River Heritage Park to Grand Street) Construction	\$1,712,705	Based on consultant's estimate in May 2022 which considered market conditions and recent tender prices in Mission.
Murray Street and 7 th Avenue Greenway Traffic Signals Construction	\$360,000	Based on 2018 DCC estimate which is reviewed and confirmed by consultant in 2022.
Engineering Fees for design, tender and construction Services	\$203,445	
Construction Contingency/Allowance (20%)	\$455,230	Contingency is required due to potential cost escalations in labour and materials and quantity variances. It may or may not be needed dependent upon bid prices received and construction progress.
Total Funding Required	\$2,731,380	

Total Funding Approved from Mission Sources in 2021 Budget	\$1,490,913	
Total Funding from BC Grant	\$500,000	
Additional Fund Required	\$740,467	Additional funding approval required for the construction in 2022.

The additional \$740,467 could be funded as follows:

- \$356,400 from the Roads (all areas) DCC,
- \$3,600 from the Roads Reserve (for the 1% assist factor); and
- \$380,467 funded from the Community Works (Gas tax) Reserve.

Federal Active Transportation Grant Application Updates

On February 22, 2022 staff brought a report to Council with three options to choose from when applying for additional funds for the Greenway project under the Government of Canada's Active Transportation Fund program:

- Option 1: Apply with a combined project for both the Phase 1 and 2 of the 7th Avenue Greenway Project (staff recommended option)
- Option 2: Apply with the Phase 1 of the 7th Avenue Greenway Project only
- Option 3: Apply with the Phase 2 of the 7th Avenue Greenway Project only

Council has approved and directed staff to apply for the grant under Option 2. Staff submitted an application to the Federal Government on March 31, 2022 for Phase 1 of the Greenway project. If successful, the total grant funding from the federal program will be \$1,431,490.

Staff made an inquiry to the federal grant administrator in early May of 2022 and requested a meeting to discuss the 7th Avenue Greenway application and review the status. Staff were informed by the Federal Government review team that they are currently working to assess a high volume of applications and are unable to meet with applicants about submissions under review. Staff plan to continue to follow up with the grant administrator regarding the application status.

It should be noted that the federal grant program does not fund expenditures incurred before receiving project funding approval nor any expenditures related to agreements and contracts signed prior to receiving project funding approval.

Options and Next Steps

Options for the 7th Avenue Greenway project delivery are as follows:

- Option A: Proceed with the tender and construction of the 7th Avenue Greenway Project Phase 1, including the Murray Street intersection traffic signals, in 2022; or
- Option B: Defer the tender and construction of the 7th Avenue Greenway Project Phase 1 to 2023 or when the federal grant application decision is announced, whichever is earlier.

If Option A is preferred, staff are prepared to proceed with tendering the project in June 2022 and the project can likely be awarded in July/August 2022 (dependent upon bid price results) with a targeted construction completion date of October/November 2022. Option A satisfies the provincial grant conditions which require the \$500,000 grant be spent no later than March 31, 2024. However, if the project is completed before the federal grant funding decision, the project

is no longer eligible for federal funding, even if Mission's application would have been successful.

Option A plan would install in 2022 not only a two-way protected mobility lane constructed, but also many safety features for pedestrians (e.g. curb extensions and new crosswalks at Taulbut Street and Sharpe Street), improved traffic operations (e.g. new turn lanes at Horne Street and Dunsmuir Street), new traffic signals with added left turn lanes at the Murray Street intersection, new street lights along 7th Avenue with LED luminaire, new landscape and trees and a "face-lift" for the commercial area beside the leisure centre. Option A will also provide a bus stop landing pad with electrical connections ready for a new shelter and benches (to be installed and funded by others or the City).

If Option B is preferred, Staff will tender the project in the winter of 2022 or early 2023, targeting a construction during spring/summer of 2023. Staff will continue to liaise with the federal grant administrator regarding the application results. It should be noted, however, there is no timetable when the federal grant results will be announced nor any guarantee from the Federal Government that Mission's grant application will be successful. In addition, the total project costs will likely be higher in 2023 than in 2022 due to material and labour cost escalations. Additional funds will likely be required in 2023 as a result.

Due to the uncertainties associated with the federal grant funding decision timeline and results, as well as to ensure provincial grant conditions are met, staff recommend proceeding with Option A and the construction of the 7th Avenue Greenway Project Phase 1 in 2022.

Council Goals/Objectives

The 7th Avenue Greenway Phase 1 will help to achieve Council's Safe Community goal by providing a safe travel space for Mission residents of all ages and abilities from the east to the west of Mission.

The Greenway project construction also contributes to Council's Livable Complete Community goal. The greenway is an amenity for the public and envisioned to provide a connective component that ties the east and west neighbourhoods together while providing a platform to connect north and south trails, stairways, and connections that enhance the overall active transportation network. It also provides hubs on intersecting pathways that can be used for cultural enhancements, art, gathering places, and other complementary amenities like water fountains, benches, wayfinding, and lighting.

Financial Implications

The City has received grant funding of \$500,000 towards the construction of the 7th Avenue Greenway Project Phase 1.

\$1,490,913 was approved in 2021 from the Community Works (Gas Tax) reserve.

If construction is approved to proceed in 2022, additional funding of \$740,467.00 is required in the 2022 capital budget. \$356,400 will be funded by from the Roads (all areas) DCC, \$3,600 from the Roads Capital Reserve (for the 1% assist factor) and \$380,467 funded from the Community Works (Gas tax) Reserve.

The "Signals – Murray & 7th Intersection Upgrade" project currently in the 2026 capital plan will be eliminated as this project is included in the proposed \$740,467 increase to the 2022 capital plan.

Communication

Engineering staff plan to work with the Communications Division to update Council, Mission residents and stakeholders throughout the life of the project.

Staff plan to continue to follow up with the grant administrator regarding application status as well as the provincial grant administration for project reports.

Summary and Conclusion

The 7th Avenue Greenway project is an important part of the City's strong commitment to continuously improving roadway safety for our citizens and making it easier for people of all ages and abilities to drive, walk, wheel or cycle. Significant improvement to traffic operations, pedestrian/cyclist safety, street lighting, and traffic signals operations will be achieved through the construction of the 7th Avenue project.

Staff recommend to proceed with the tender and construction of the 7th Avenue Greenway Project Phase 1, including Murray Street intersection traffic signals, in 2022. It is recommended that the budget for the 7th Avenue Greenway Phase 1 project (between Fraser River Heritage Park and Grand Street) be increased by \$740,467 with \$356,400 funded by from the Roads (all areas) DCC, \$3,600 from the Roads Capital Reserve (for the 1% assist factor) and \$380,467 funded from the Community Works (Gas tax) Reserve.

Report Prepared by: Allen Xu, Manager of Engineering Planning and Assets

Reviewed by: Tracy Kyle, Director of Engineering and Public Works

Reviewed by: Doug Stewart, Director of Finance

Approved for Inclusion: Mike Younie, Chief Administrative Officer

Attachment(s)

Attachment A: 100% Design Drawings for the 7th Avenue Greenway Project, including the Murray and 7th Avenue Intersection Traffic Signal