

Ottawa's Light Rail Transit Project

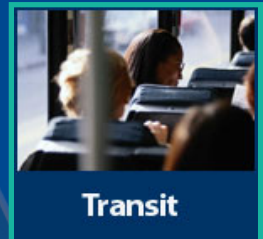


Schedule Acceleration and Procurement Option Selection

May 2011

Presentation Overview

- Introduction
- Accelerated Timeline
- Considerations and Constraints
- Procurement Strategy
- Recommendations
- Conclusion



Schedule Acceleration

Revised Timeline

- Accelerate release of *Request for Qualifications* (RFQ) from **September 2011** to **May 2011**.
- Accelerate *Request for Proposals* (RFP) will be accelerated from **March 2012** to **October 2011**.
- RFP will be two staged:



1. **Early design release**
2. **Full design and specifications release**

Schedule Acceleration

Construction Schedule

The original completion date of 2019 for the OLRT system was based on a high-level design and construction plan. However:



- ✓ RIO has advanced work to develop a more detailed construction timeline.
- ✓ The construction timeline will be further refined for the July presentation to Committee and Council.

Schedule Acceleration

Introduction

Staff has determined that it is possible to accelerate the project schedule by one year.

Service Ready System

From

Spring 2019

To

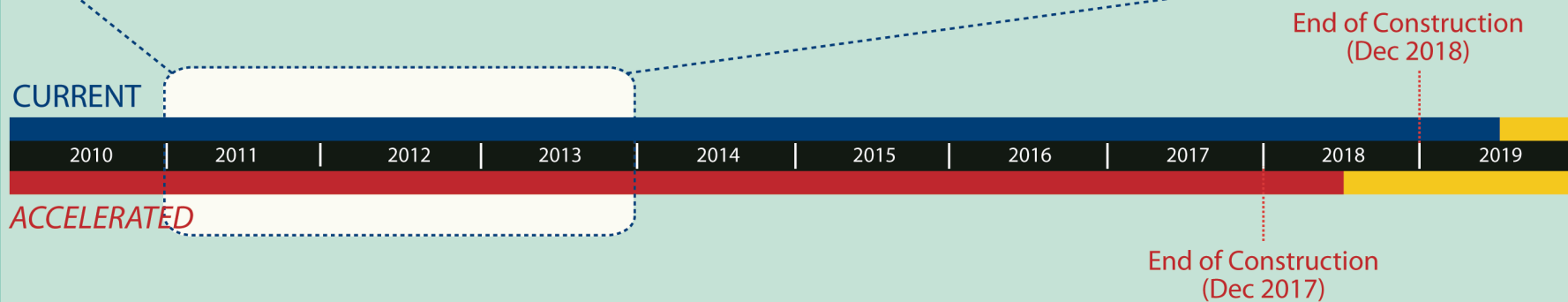
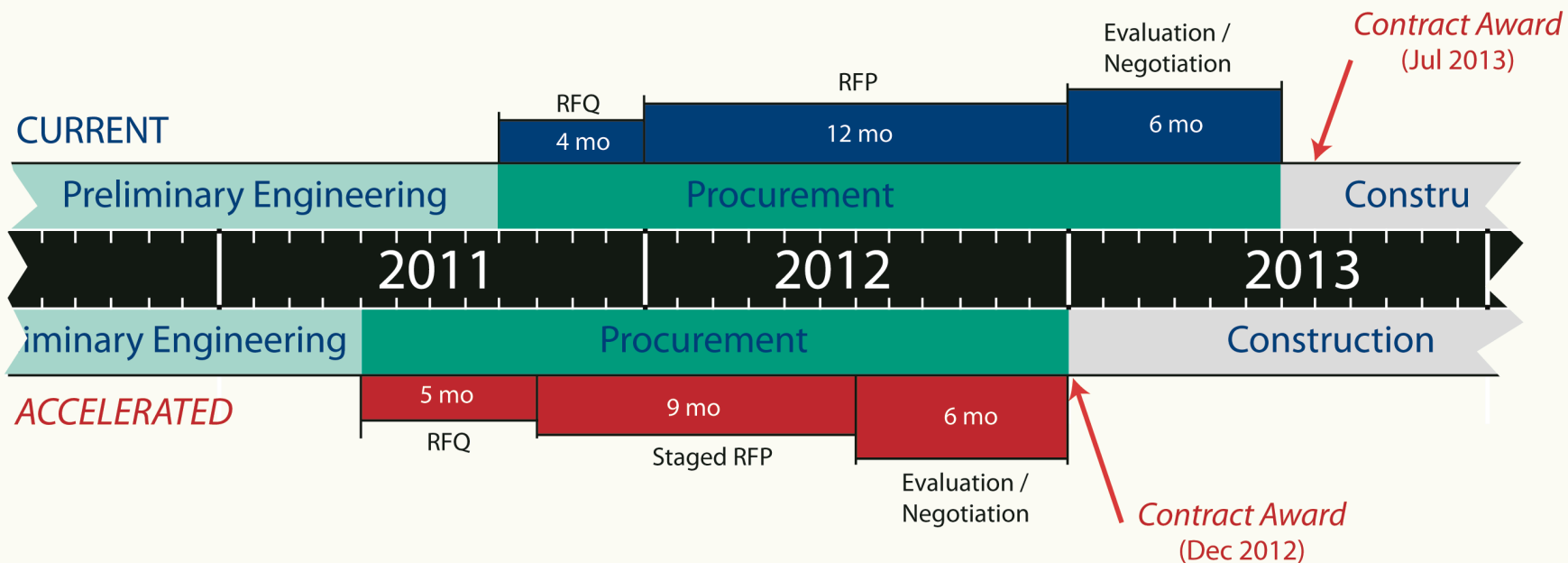
Spring 2018

2018



Ottawa Light Rail

Procurement Timeline



Schedule Acceleration

Considerations and Constraints

- Regulatory Requirements
(NCC, Federal EA, Rail Safety)
- Property Acquisition
- Construction Staging and Transit Rerouting
- Contribution Agreements
- Canada's Sesquicentennial Celebration

Schedule Acceleration

Procurement Goals

With expert advice, staff have sought to follow best practices in major procurements of this type to identify the approach that best achieves the City's goals.

- ✓ **Reduce costs**
- ✓ **Highest quality**
- ✓ **Earliest completion**
- ✓ **Minimize risk**
- ✓ **Best financing option**
- ✓ **Strong private sector innovation**
- ✓ **Minimize City staff resources**



Schedule Acceleration

Procurement Strategy

Accelerated implementation process through a
Design-Build-Maintain (DBM) procurement model:



- ✓ Allows for pre-construction acceleration
- ✓ Challenges industry to develop the preliminary design into a construction-ready state

Schedule Acceleration

Procurement Strategy

The DBM approach:

- ✓ Accelerates implementation.
- ✓ Significantly lowers total cost.
- ✓ Delivers equal or higher quality.
- ✓ Establishes clear responsibility.
- ✓ Reduces exposure and Risk.



Binding the bidder to long-term maintenance with defined performance standards creates an incentive to invest in the initial quality of construction, vehicles and systems.

Schedule Acceleration

Procurement Strategy

Staff's Recommendation:

*A single, integrated **Design-Build-Maintain** contract is recommended as the best way to manage risk, optimize value and achieve cost certainty.*

Schedule Acceleration

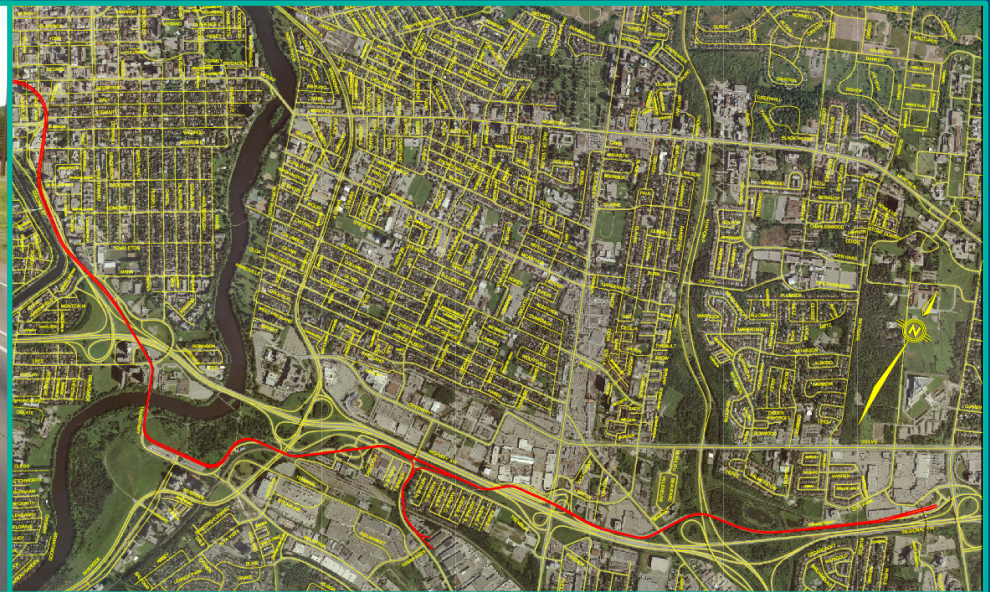
Security against Performance

- Staff continues to evaluate traditional security performance against implementing a short term private financing model
- The City's strong balance sheet, exceptional credit rating and low borrowing cost provides strategic advantages.
- Recommendation to Council will be made in consultation with the City's financial advisors, legal advisors and Infrastructure Ontario (IO).
- Costs and Financing Options will be provided to Council in July, 2011.

Schedule Acceleration Supporting Elements



417 Lane Widening



Streamlining
Property Acquisition

Schedule Acceleration

417 Lane Widening

- Announced in the Provincial Budget.
- Provides an opportunity to use additional lanes as exclusive bus lanes during construction and testing of OLRT.
- Requires relocation or protection of City utilities.
- Staff requires delegated authority to advance the engineering assessment work.

Schedule Acceleration

Streamlining Property Acquisition

The City must secure property in advance of contract award.

This requires:

- ✓ Authority to begin expropriation process.
- ✓ Increase the delegated authority for OLRT property acquisition.

The OLRT project does not require the acquisition of any residential properties.

Schedule Acceleration

Recommendations

- 1) Implement accelerated schedule.
- 2) Conduct Design-Build-Maintain procurement.
- 3) Advance the utility engineering assessment work for 417 widening.
- 4) Accelerate property acquisition.

Schedule Acceleration

Conclusion

- The Design-Build-Maintain model will bring the best value to the City.
- Accelerating 417 utility work is essential for maintaining mobility.
- Accelerating acquisition of commercial and industrial properties is essential for risk and cost control.

Schedule Acceleration

Conclusion

- OLRT construction will not interfere with Canada's Sesquicentennial, stations and vehicles may be available to support special events.
- OLRT will arrive one year sooner, with full revenue service by Spring 2018.

QUESTIONS?



www.ottawalightrail.ca