



CAPITAL PROJECT MANAGEMENT

TO:	Council	
DATE:	December 22, 2020	DIVISION: All
FILE:	5011-302	APPLICATION: N/A
SUBJECT:	Highway 1 and Range Road 33 Overpass Improvement – Funding Proposal	

EXECUTIVE SUMMARY:

As an integral piece of the Transportation Network in the Springbank Area, the Highway 1 and Range Road 33 Interchange will need to be improved to support future regional transportation needs. Developers within Division 2 have approached the County with a joint funding proposal for the Phase 2 Interchange (Attachment 'A') improvements on Highway 1 and Range Road 33. The proposed funding model would be 20% Rocky View County, 40% Harmony/Bingham Crossing and 40% Province. A similar funding arrangement was accepted by Alberta Transportation for the intersection improvements at Highway 560 (Glenmore Trail) and Garden Road located in the Janet Industrial area.

In March of 2009, Alberta Transportation initiated an Interchange Functional Planning Study. At that time, the estimated remaining lifespan of the overpass structure was 18 years. Since 2009, Rocky View County has approved growth in the area. That growth continues to heighten the need to improve the interchange to ensure service levels are maintained for users of this infrastructure that provides connection to the Trans Canada Corridor.

Preliminary engineering for the project is complete and the province is negotiating the final remaining parcel of land required for the improved interchange. Regulatory approvals and construction tendering could be completed in 2021, and construction ready for 2022.

The projected cost for the Phase 2 improvements are expected to be around \$40 million. Should Council support the initiative, the County's contribution would be \$8 million funded in part from the Special Area Levy Reserve. Harmony/Bingham Crossing will advance \$16 million in funding plus any County shortfall in its \$8 million portion. The County currently has \$4.7 million dollars in the Special Area 4 Levy Reserve. Details of the funding arrangement will be presented to Council for approval.

ADMINISTRATION RECOMMENDATION:

Administration recommends approval in accordance with Option #1.

BACKGROUND:

The developers of Harmony and Bingham Crossing within Division 2 have approached the County with a joint funding proposal for the Phase 2 Interchange improvements on Highway 1 and Range Road 33. The proposed funding model would be 20% Rocky View County, 40% Harmony/Bingham Crossing and 40% Province. The principles of the proposal are similar to that of the recently approved funding model for the Janet ASP Glenmore Trail and Garden Road intersection improvement.

The overpass is a regionally significant piece of transportation infrastructure for Rocky View County's west side. In addition to residential users, the overpass is also extensively utilized to access services on both the north and south sides of Highway 1 which include, but are not limited to, all of Springbank's schools including the Edge School; Parks for All Seasons; Springbank Airport;

Administration Resources

Byron Riemann, Executive Director Operations



Mickelson National Golf Club, Calaway Park, Commercial Court and Emergency Medical Services deployed from Springbank Airport.

In March of 2009, Alberta Transportation initiated a Functional Planning Study for this Interchange. At that time, the estimated remaining lifespan of the Overpass Structure was 18 years. Since 2009, Rocky View County has seen the completion of Edge School, further expansion at Springbank Airport, the launch of Harmony and the approval of Bingham Crossing. In addition to these approved projects adding volume to regional transportation infrastructure, Administration is aware of several other pending and potential development in the area.

In order to support continued regional growth for areas that have already been approved by the County, supportive transportation networks will be required. The proposal, subject to endorsement, by the County and the Province will accelerate the timing for the improvements and in doing so will improve the safety and functionality of the infrastructure. The current interchange does not meet today industry's standard and have several incidents points due to the tight distance of traffic weaving into and out of the higher speed lanes. As traffic volumes increase both the functionality and the safety will diminish. Accelerating the improvements would not only improve safety and functionality, it would help avoid any potential future risk of increased scarcity for provincial funding given the challenging economic environment.

Cost projections for the Phase 2 improvement are estimated to be around \$40 million. Based on this value the proposed cost sharing model is outlined below in with the following conditions:

Table 01 – COST BREAKDOWN BY STAKEHOLDER

Stakeholder	Responsibility	Amount
Harmony /Bingham Crossing	40%	\$16 million
Rocky View County	20%	\$8 million
Alberta Government	40%	\$16 million
		<u>\$40 million</u>

Exploratory discussions with the province have been positive. The province emphasized the importance to support projects that will fuel immediate job growth and have a lasting long-term positive effect on the economy. Included in this report (Attachment 'B') is an estimated Economic Benefits of the Harmony and Bingham Developments. Representatives from those developments will be in attendance at Council should Council have additional questions. In summary, the following numbers can be provided:

- Producing over \$10 Billion in economic activity
- Supporting 46,831 jobs through development and 16,359 jobs post development
- Generating an annual \$12.4 million in property taxes and \$9.9 million in school taxes
- Approximately \$46.8 million in one-time fees to the County.

In addition to the services at Bingham Crossing, the Minister of Economic Development and Tourism expressed a particular interest in the Mickelson National Golf Club and Harmony's future Nordic spa. Both of these features could play an important role in Alberta's tourism strategy.



BUDGET IMPLICATIONS:

Administration considers the project to have no budget impacts as it will be funded by the Developers.

OPTIONS:

- Option #1 THAT Administration be directed to negotiate, subject to Council approval, a tri-lateral funding agreement for the Phase 2 Highway 1 and Range Road 33 interchange improvement with local developers.
- Option #2 THAT alternative direction be provided.

Respectfully submitted,

Concurrence,

“Byron Riemann”

“Al Hoggan”

Executive Director of Operations

Chief Administrative Officer

BR/bg

ATTACHMENTS

- ATTACHMENT ‘A’ - Proposed Phase 2 Interchange Improvements
ATTACHMENT ‘B’ - Estimated Economic Benefits