

DATE: October 22, 2024

TO: Board of Trustees

FROM: Darrel Robertson, Superintendent of Schools

SUBJECT: Follow-up on Accelerated Infrastructure Announcement
(Response to Request for Information #022)

ORIGINATOR: Cliff Richard, Chief Infrastructure and Technology Officer

**RESOURCE
STAFF:** Josephine Duquette, Leanne Fedor, Terri Gosine, Roland Labbe, Valerie Leclair,
Robert Tarulli, Jennifer Thompson, Shaminder Parmar, Kris Uusikorpi, Christopher
Wright

REFERENCE: September 24, 2024 Board Meeting (Trustee Hole)

ISSUE

The following information was requested by Trustee Hole at the September 25, 2024, meeting of the Board of Trustees: Can the administration please answer the following questions with regard to the Board's current Three-Year Capital Plan for 2025–2028? Associated answers are listed with the questions in the Current Situation section of this report.

BACKGROUND

On September 18, 2024, the Alberta Government announced funding for the School Construction Accelerator Program. This is a three-year program that will create more than 200,000 new and modernized student spaces across the province to meet Alberta's growing population. New student spaces across Alberta will be created by:

- Building up to 90 new schools;
- Modernizing or replacing up to 24 existing schools;
- Expanding the modular classroom program; and
- Expanding charter and private school builds.

CURRENT SITUATION

Trustee Hole's questions are listed, with associated answers.

- 1. For each of the priorities in Year 1, please share which school sites are fully-serviced and meet the government's construction readiness criteria? Are there any Year 2 or Year 3 sites which are also ready?**

The following table includes the requested information. School site readiness checklists ([provincial template](#)) have been submitted to Alberta Education for all Division Year 1 projects.



Priority	Project Name	Capacity	Fully Serviced	Provincial Checklist Satisfied (required for Year 1 priorities)	Funding Level Readiness	Current Provincial Funding Status	Notes
Year 1							
1	Dr. Anne Anderson Addition	600	Yes	Yes	Construction	Unfunded	
2	Glenridding Heights K-6	650	Yes	Yes	Construction	Design	
3	Rosenthal K-6	650	Yes	Yes	Construction	Design	Site grading is required.
4	The Grange 10-12	1525	Yes	Yes	Construction	Unfunded	
5	Hawks Ridge K-6	650	Yes	Yes	Construction	Unfunded	Zoning to Parks and Services (PS) is required.
6	McConachie 7-9	915	Yes	Yes	Construction	Design	Zoning to PS is required. Site assembly to be completed by the end of 2024.
7	Castle Downs 10-12	2410	Yes	Yes	Construction	Unfunded	
8	Silver Berry K-6	650	Yes	Yes	Construction	Unfunded	
9	Delton Replacement K-6	650	Yes	Yes	Construction	Planning	
10	Spruce Avenue 7-9 Modernize/ Replacement	450	Yes	Yes	Construction	Planning	
11	River's Edge K-9	950	Yes	Yes	Construction	Unfunded	Access to the site is available from 192 St. Riverview Blvd to be completed by 2026.
12	Ellerslie Solution K-9	1100	Yes	Yes	Construction	Unfunded	



Priority	Project Name	Capacity	Fully Serviced	Provincial Checklist Satisfied (required for Year 1 priorities)	Funding Level Readiness	Current Provincial Funding Status	Notes
Year 2							
13	Aster K-9	950	No	N/A	Design	Unfunded	Development is two years out. Site assembly and grading are pending. There is only partial access, most of the roads around the park need to be constructed.
14	Crystallina Nera K-6	650	No	N/A	Design	Unfunded	Site assembly is pending.
15	The Orchards K-9	950	No	N/A	Planning	Unfunded	Site assembly is pending and roads need to be constructed.
16	Lansdowne K-6 Modernization	TBD	Yes	N/A	Design	Unfunded	
17	Grovenor K-6 Modernization	TBD	Yes	N/A	Design	Unfunded	
18	Britannia Cluster	1115	Yes	N/A	Planning	Unfunded	Servicing may need to be relocated and/or upgraded to accommodate a replacement school.
19	Marquis K-6	890	No	N/A	Planning	Unfunded	The site is not assembled and roads need to be constructed.
20	Horse Hill 7-12	2410	Yes	N/A	Planning	Unfunded	Servicing upgrade required.

Priority	Project Name	Capacity	Fully Serviced	Provincial Checklist Satisfied (required for Year 1 priorities)	Funding Level Readiness	Current Provincial Funding Status	Notes
Year 3							
21	Alces K–6	650	No	N/A	Design	Unfunded	Assembly of site in 2025. Roads around the same time.
22	Stillwater K–9	950	Yes	N/A	Design	Unfunded	
23	Heritage Valley 14 K–6	650	No	N/A	N/A	Unfunded	Site is expected to be assembled when the planned hospital is funded.
24	Brander Gardens K–6 Modernization	TBD	Yes	N/A	Design	Unfunded	
25	McNally 10–12 Modernization	TBD	Yes	N/A	Design	Unfunded	
26	Queen Elizabeth 10–12 Modernization	TBD	Yes	N/A	Design	Unfunded	
27	Canossa K–6	650	Yes	N/A	N/A	Unfunded	Site assembly is pending.
28	Meltwater K–9	950	No	N/A	N/A	Unfunded	Site assembly is pending.
29	Riverview 10–12	2410	No	N/A	N/A	Unfunded	Site assembly is pending.

2. What is the planning and design status for each of the priorities in Year 1?

Please provide a rough estimate of the design completion timeline for each and any barriers staff might be facing with regards to project design of Year 1, 2 and 3 schools.

The preceding table indicates the status of each project, including whether funded for planning or design. Not all projects will require funding for all four stages; some projects can start the process at the design or construction funding stage. There is no specific or set timeline for any stage of approval. The Division has been able to complete planning and design within one year or less when construction funding was announced in the past without having completed pre-construction steps.

Site readiness is complete for all Year 1 priorities. The design process for the three projects funded for design at the end of February 2024 (Glenriding Heights K–6, Rosenthal K–6, McConachie 7–9) has yet to be initiated by the Province, who will manage the projects. The two projects funded in February 2024 for Planning (Delton K–6 and Spruce Avenue 7–9 modernizations/replacements) will also be project

managed by the province; the Division has yet to be formally engaged as part of the planning process for these projects.

3. Share a brief overview of the advantages of the following design and construction approaches: IPD, P3 and government managed builds.

Please include information on budget and the average length of time it takes to complete projects using each approach.

There are four most commonly used delivery methods for bringing schools from design to construction. A project's delivery method defines the contractual relationships between the parties involved and how they fulfill their obligations and responsibilities. The four most commonly used delivery methods are:

Design-Bid-Build (DBB) – This is the traditional and most common approach to construction projects. This delivery method involves hiring a prime consulting team (architect and sub consultants) that plans and designs the building through the development of a tender package detailing all aspects of the building. The package is tendered and awarded to the lowest compliant bidder. Any modifications or changes to the building are coordinated through a change order process. Advantages to DBB for Edmonton Public Schools includes having ability to influence design decisions, clear distinction and accountability between teams, and DBB projects tend to garner large interest in the construction community.

Design-Build (DB) – This methodology involves hiring a bridging prime consultant team (architect and sub consultants) that designs the building to approximately 30 per cent. This typically involves clarity around the floor plan and site layout, but does not include the detailed design in a DBB drawing package. The 30 per cent drawing package is used to tender the project to a design and construction team to complete the drawings and the construction. Typically, the bridging consultant team remains on contract to oversee the design build process from the owner's perspective. The advantages that DB provides to Edmonton Public Schools include improved communication between the contractor and consultants and DB can reduce timelines for construction.

Integrated Project Delivery (IPD) – Is a collaborative contractual agreement between all key parties involved in the design and construction of a building. This is a single contractual agreement where all parties work together through both design and construction of a project while sharing risks and any savings that are derived from project efficiencies. The contract is set up before the project begins so all key contractors, subcontractors and consultants are in direct communication with the owner representative from the outset of the project. Advantages to using IPD for Edmonton Public Schools includes owner involvement in the entire process, efficiencies developed within the design and construction process, collaboration between contract partners, and increased communication between parties.

A specific advantage of the IPD model can result from the incentive sharing component of the contract. As the project team works together and is able to create efficiencies within the project that result in cost reductions, the project team can direct funds back into the project scope. For example, at Dr. Anne Anderson, the team was able to honour the school's namesake by adding Cree language and culture into the building's design while still remaining under the project's overall budget. This component of IPD reflects the Division's approach to 'value' and the need to invest allocated construction funds back into meaningful and supportive learning environments for Division students.

Construction Management (CM) – Similar to DBB, Construction Management typically involves a Prime Consulting team that designs the building through to 100 per cent construction documentation. However, during the design phase of the project a construction management company, often the general contractor, is contracted to assist with design review and planning. The construction management company would assist with tendering the construction and provide oversight until construction completion. The advantages that CM provides to Edmonton Public Schools includes construction input in the design phase and early collaboration with the contractor in developing schedule and design details.

A note about Public-Private Partnership – Although not a delivery method, the P3 model represents an alternative funding model whereby the contract agreement includes a portion of design, all construction, and the eventual maintenance of the school building for a defined period, all carried out by a private corporate entity or consortium which also fronts the capital required to design and construct the facility. The Province pays the corporate entity over time, typically over a 30-year period, commencing when the Division occupies the school. Often, the Design-Build-Finance-Operate-Maintain (DBFOM) or Design-Build-Finance-Maintain (DBFM) delivery method is associated with P3 projects, wherein the private sector entity/consortium secures funding, designs and constructs the facility, and then operates and/or maintains the facility for a fixed period, after which the owner assumes responsibility for operating/maintaining. In simple terms, it may be thought of as “rent to own”, which allows the Province to budget for annual cash flows as opposed to providing all of the required capital upfront.

Currently, all major capital school projects are managed by the Province. For major capital projects, the Province completes a P3 value assessment for each project or project bundle, which informs whether the P3 methodology or another approach will be used. The delivery method is determined by Alberta Infrastructure when new school and modernization projects are funded for design and construction. The Province has previously provided grant funding for new school construction to school jurisdictions; however, this practice has been halted in recent years.

The length of time to complete a new school construction project is dependent on a number of factors such as the size and complexity of the building, availability of trades during construction, availability of materials, and site and weather conditions. While there are many factors that determine the length of time for construction, some of the delivery methods noted above are able to compress schedules for a shorter timeline. For example, CM may reduce timelines by allowing for progressive tendering as drawings are completed. Provincial funding decisions and timelines may also impact timelines for school construction.

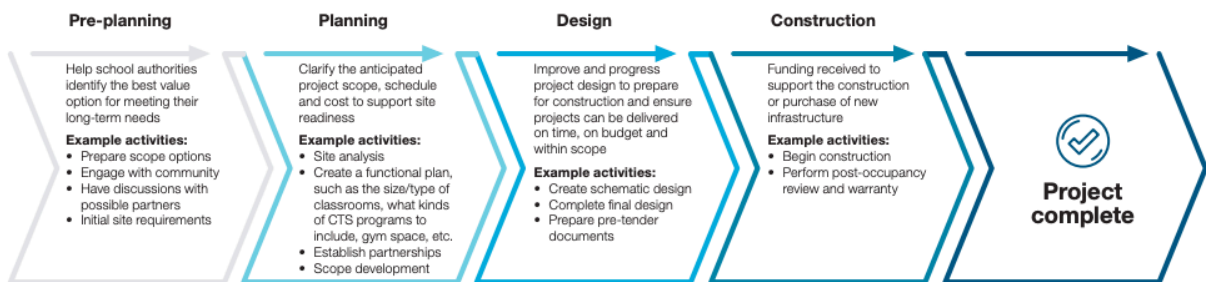
The procurement process for P3 agreements is complicated and takes more time than traditional procurement for consultants and general contractors. Over the past few years, Integrated Infrastructure Services (IIS) has had success using the IPD delivery method to complete schools in a short timeline. Examples of Division IPD projects that were ahead of schedule include:

- Dr. Anne Anderson was completed in February 2021, which was four months ahead of the 30 month design and construction schedule. This allowed the school to be fit-out early and gave confidence to the community that the school would open on time.
- Alex Janvier and Aleda Patterson were completed as a two-school IPD bundle in May of 2021, which was three months ahead of the 28 month design and construction schedule.
- The three projects listed above were undertaken during the pandemic where the construction industry was impacted by delayed materials supply chains. Because of the contractual requirement to collaborate and the responsive nature of an IPD team culture, these projects were able to maintain construction momentum and even exceed targets.

Budget variation between the project delivery methods is difficult to assess as projects are typically constructed to a predetermined budget, which drives project considerations regardless of the delivery method employed. The incentive paradigm inherent to IPD has been shown to deliver additional value for money because savings and efficiencies realized through the collaborative process may be reinvested into the project scope or toward reducing the overall budget.

4. Could Administration provide a brief explanation of what each of the different stages – pre-planning, planning, and design and constructions entails and where all of our current projects are in this staged process?

The Province created a four-stage process for capital projects—Pre-Planning, Planning, Design and Construction. The following image outlines each stage of the process including examples.



The table provided in Q1 outlines the funding stage for all Division Capital Plan projects (Planning, Design, etc.).

5. Please share any efficiencies that could be used by division staff to expedite the process of designing new schools including the replication or adaptation of previously designed projects.

Edmonton Public Schools has completed construction on a variety of school sizes and grade configurations. There is opportunity to use these past examples as the starting point for the design of future schools while using lessons learned and feedback from stakeholders to make adjustments as necessary. This would reduce the timeline needed for design.

Alberta Infrastructure has also recently developed some templates for standard school designs that are available to school jurisdictions. These templates can also be used as starting points for future school design; however, it is anticipated that school jurisdictions will still wish to amend standardized plans to ensure program needs are met. Administration is not yet able to determine whether the provincial plans will result in time efficiencies when used with the P3 model.

6. We know families value having childcare located within the school, and that with increased enrolment, the Division has had to reclaim tenant space from childcare operators for classrooms. With the province’s infrastructure announcement, is there a mechanism for boards to request that the Ministry of Jobs, Economy and Trade (responsible for childcare spaces) add budget to elementary school builds for dedicated childcare spaces?

Under the current Alberta Education funding model, school divisions do not receive direct funding for the development or operation of childcare spaces. The funding provided through Alberta Education is intended to support the delivery of approved educational programs for students from Early Childhood

Services (ECS) through to Grade 12. There is no established mechanism through Alberta Education's funding model to secure provincial funding for dedicated childcare spaces in new or existing schools.

Childcare spaces, when available, are typically leased out to operators by school divisions, but only when there is surplus space that is not needed to accommodate students. As such, when school utilization rates increase, as is the case for many divisions currently experiencing growth pressures, those spaces are often reclaimed for educational purposes, limiting the ability to accommodate childcare operations.

Last spring, Administration met with Ministry representatives from Alberta Jobs, Economy and Trade to learn more about the Space Creation Grant intended to fund new child care facilities. While there was no definitive commitment to pair capital funds from this grant with capital funds allocated by Alberta Education for new school construction, the concept was introduced and discussed. While no formal mechanism exists allowing the Division to request or highlight cross-ministry capital funding opportunities, the Board may consider advocacy efforts related to the possibility.

7. *What is the fit up cost for a new school once construction is complete? Is there direct funding available from the province to cover the one-time fit up costs for the many new schools we anticipate being constructed in the next few years?*

New school fit up can be divided into two "buckets":

- Furniture and Equipment (F&E)
- Supplies, Equipment and Services (SES)

Funding from the Province is provided to support the costs of F&E. This funding covers costs associated with purchasing furnishings, appliances, technology, major custodial equipment, and the installation of these items (such as wall-mounted whiteboards or smart televisions). F&E funding includes some specialty equipment related to Career and Technology Studies (CTS) or Career and Technology Foundations (CTF) courses, including specialty printers, shop equipment, culinary equipment, etc. F&E funding is determined by the Province at approximately 7.5 per cent of the construction budget. CTS and CTF F&E funding is provided based on the number of purpose built CTS spaces allocated for that size and grade configuration of school, usually with \$100,000 funded per purpose built space (e.g., automotive shop, culinary arts, etc.).

Costs associated with the SES materials purchased for a new school are not funded by the Province. SES includes items such as resources for the library and classrooms, stationary, educational equipment such as balls or rackets for physical education, CTS and CTF supplies, and custodial supplies. The budget for SES is provided by the Division.

Historically, each elementary/junior high school was provided with \$600,000 and a new high school was provided \$1.2 million. Using the recent opening of Elder Dr. Francis Whiskeyjack School as an example (where the Division budgeted over \$2.6 million), market conditions and inflation are challenging both the F&E and SES funding amounts. It is anticipated that upcoming new schools will require a SES budget of approximately \$1 million for elementary and/or junior high schools and over \$2.5 million for a high school.

8. *What impacts to maintenance, autonomy and asset value might Edmonton Public Schools expect from the change to the province owning new schools constructed under this program?*

There is no specific information available regarding statements related to ownership made during the announcement of the School Construction Accelerator Program. It is assumed that the Division would continue to operate, maintain and repair school buildings owned by the Province, with the exception of the maintenance and renewal provided as part of P3-delivered schools for the first 30 years (typical contract period).

The value of Division-owned school building assets is impacted by the *Real Property Governance Act* (Bill 13) in the event that the Province requires transfer of title at net book value for a building that has been declared surplus to Division need. Net book value is significantly less than market value in most cases.

Autonomy to continue to deliver education programming in a school building would rest with the Division. In the future, buildings not transferred to the Division at opening would not be a capital asset of the Division, and thus no revenue from a future disposition could be realized.

9. *Schools take 3-5 years to build. What is the division's plan to manage growth while new schools are under construction?*

In the absence of new school construction, or as we wait for new construction projects to be completed and open to students, the Division relies upon the [Growth Control Model](#). This model outlines the efforts taken by the Division (such as closing boundaries, completing facility modifications to create additional classroom spaces, adding modular classrooms, etc.). It employs an equitable, transparent set of supportive actions to ensure enrolment does not overwhelm a school and high-quality learning environments for all students are maintained.

When a school is unable to accommodate all resident students in their attendance area, additional measures are required. A Level 1 school unable to accommodate all resident attendance area students will move to Level 2 on the Growth Control Model, limiting access to those students and siblings of current students returning the following year. The model outlines all efforts the Division may take when a school is at Level 2, guarding against having to consider a lottery. However, for some areas, the growth continues to outweigh the capacity of a school and when that school can no longer accommodate all of its resident attendance area students, it moves to Level 3 on the model. Schools at Level 3 have reached capacity. Only new resident students from the designated attendance area and siblings may be accepted, though attendance is not guaranteed. A lottery process is used when there are more requests than space in a grade. The Growth Control Model summarizes this process in detail.

As noted above, the addition of modular classrooms is a component of the Division's Growth Control Model. Additional funding for modular classrooms has recently been announced by the Province, with 26 additional modulars and 11 relocations earmarked for Edmonton Public Schools. Where possible, the installation of modular classrooms may provide some relief for space pressures resulting from enrolment growth. Situations where modular classrooms are not expected to provide relief include:

- insufficient space for additional modular classrooms on the school's land parcel due to fire codes and additional infrastructure/vegetation surrounding the site—this includes Level 3 schools where the maximum number of modular classrooms have been installed, yet student enrolment continues to exceed capacity, prolonging the need for the lottery process and overflow school designations

- limitations on the capacity of the 'core' school building as it does not allow for additional bathrooms, lockers, hallways and circulation, or purpose-built spaces to accommodate required program delivery for subject areas such physical education or various junior and senior high 'option' courses, etc.
- in new and developing communities where no current school exists and accommodation of the entire community is required at another existing Division school
- when specialized learning spaces are required, such as in the accommodation of students with specialized learning needs, or for purpose-built space for junior and senior high school students in the areas of career and technology studies

KEY POINTS

- All of the Division's Year 1 Capital Priorities are situated on parcels that meet provincial criteria for site readiness.
- Currently, all capital projects are managed by the Government of Alberta. As such, the project delivery method is determined by Alberta Infrastructure when new school and modernization projects are funded for design and construction.
- The Division's Growth Control Model will continue to serve as a transparent set of supportive actions to ensure enrolment does not overwhelm a school and high-quality learning environments for all students are maintained.

JD:jl