



OFFICE OF THE
City Auditor

Transportation Planning Branch Follow Up Review

November 30, 2010



The Office of the City Auditor conducted
this project in accordance with the
*International Standards for the
Professional Practice of Internal Auditing*

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Executive Summary

The objective of this follow-up review was to assess the Transportation Planning Branch's progress towards the implementation of recommendations from our original audit completed in 2006. The Transportation Department is responsible for the development and implementation of transportation plans and programs. The Transportation Planning Branch of this department serves as the key strategic force to guide the department and City in transportation planning.

We have assessed the actions taken by the Branch in implementing the ten recommendations from our 2006 audit. We are satisfied that six of the ten original recommendations have been successfully implemented. Three remain in progress and one recommendation is closed.

Implemented Recommendations

In September of 2009, City Council approved *The Way We Move* the City of Edmonton's new Transportation Master Plan. This plan addresses how the City will meet future transportation needs over the next thirty years. *The Way We Move* has two companion documents: an Implementation Plan which sets out the transportation priorities on a three year cycle, and a Progress Measures Report, which provides annual status on the City's progress towards the seven TMP strategic goals. The Implementation Plan addresses our recommendation of maintaining transportation projects apart from the Transportation Master Plan, providing the City with needed flexibility in prioritizing transportation projects.

Other recommendations were addressed by the Transportation Planning Branch through the update of the Household Travel Survey in 2006; increased monitoring of transportation modes making effective use of technology; and by effectively integrating the public involvement process within all phases of transportation projects successfully using public input to manage risks and improve decision-making in transportation planning.

In Progress Recommendations

The Branch continues to work on a transportation policy relating to congestion levels that includes all transportation modes such as walking and cycling. They are also developing decision criteria for transportation project prioritization which is expected to be brought forward in the second quarter of 2011 as part of the next Implementation Plan. Finally, the Branch has established progress measures for strategic goals but targets need to be approved to address our final recommendation.

Closed Recommendation

The Administration has taken steps towards identifying and managing risks at an individual project level but we maintain that a more robust process is still required to manage risks at a corporate level. We have closed this recommendation and will continue to monitor and support the Administration as they move forward to implement an Enterprise Risk Management program.

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Transportation Planning Branch Follow-up Review

1. Introduction

This is a follow-up review to assess the Transportation Planning Branch's progress towards the implementation of the ten recommendations included in our original audit completed in 2006.

The original report contained action plans to address these recommendations by 2008. The results of this follow-up review confirmed that six of the recommendations have been successfully implemented, three recommendations remain in progress, and one recommendation is closed.

2. Background

2.1. Summary of the Original Report

The objective of the original audit was to assess the ability of the Transportation Planning Branch to develop and implement an effective transportation strategy for the City of Edmonton. Our audit findings were categorized into three areas:

1. The Transportation Master Plan (TMP):

At the time of original audit, we advocated for the updating of the TMP to reflect the changing needs of the City. During the development of the previous TMP (1999), resources were assigned for a defined period of time and then the team was disbanded. We recommended that the Transportation Planning Branch develop a process for continual review and update of the TMP to ensure that it remains relevant to the City's changing needs.

2. Governance of Transportation Planning:

We observed that limited reporting of results on strategic transportation goals existed and recommended the development of performance measures and targets. We indicated that progress towards achieving these goals needed to be regularly reported to Transportation and Public Works Committee (TPW) and City Council so that TPW/Council can fulfill their oversight and monitoring roles. We observed that a systematic approach to transportation project priority setting did not exist and recommended that the Transportation Planning Branch develop a prioritization model. This model would be used to develop a ten-year listing of transportation projects and a three year prioritized project plan which coincides with capital budget planning and City Council's term of office.

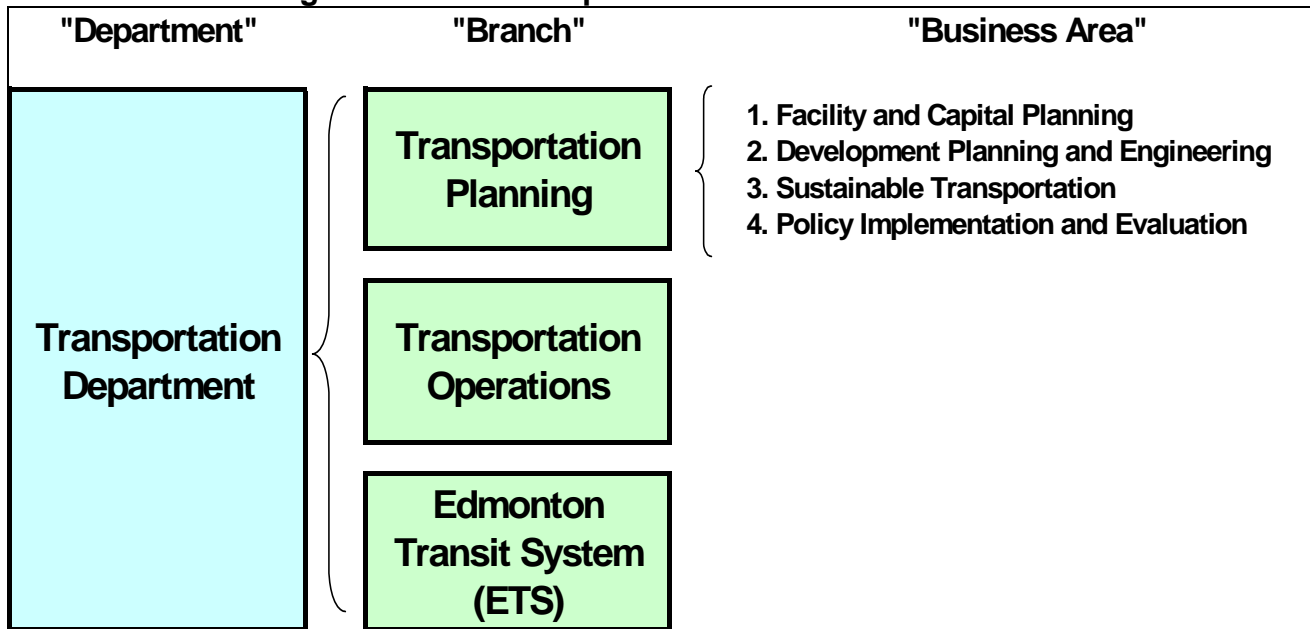
3. Managing Corporate Projects:

We observed that the City needed to improve its communication with the public on all phases of City transportation projects. We observed the challenges the City faces in managing corporate projects through our analysis of the 23rd Avenue Interchange. Several key learnings were identified including the need for the City to better identify and manage the risks related to corporate projects.

2.2. The Transportation Planning Branch

The Transportation Planning Branch is currently one of three branches within the Transportation Department as illustrated in Figure 1.

Figure 1: 2010 Transportation Branch Structure



Since 2006, the Transportation Planning Branch has made significant organizational changes. In 2006, the Transportation Planning Branch organizational structure consisted of five business sections including: Development Review Services, Evaluation and Monitoring, Major Projects Planning, Community Transportation Planning, and Right-of-Way Management. The 2010 organizational structure consists of four business units which are described in Table 1.

We believe that the new organizational structure reflects an enhanced focus on strategic planning, integration of planning with other City departments, policy development, and measurement of results which is consistent with the overall intent of our 2006 audit recommendations.

Table 1: Transportation Planning Branch Business Units (2010)

Business Area	Function:
Facility and Capital Planning	Facility and Capital Planning develops strategic initiatives and conceptual engineering for roadway and transit infrastructure improvements. The Section is also responsible for the coordination and development of the 3-year and 10-year Capital Priority Plan for the Transportation Department.
Development Planning and Engineering	This area reviews and approves the transportation components of land use plans and engineering designs for new growth areas, private roadway development and inspection services, and application of the Arterial Roads for Development Bylaw.
Sustainable Transportation	Sustainable Transportation works to encourage and support sustainable transportation options like cycling, walking, and ridesharing. The group also manages and implements programs that address the transportation system's impact on the community and reviews land use plans and redevelopment in the central area in Edmonton.
Policy Implementation and Evaluation	The Policy Implementation and Evaluation Group manages the creation, implementation and progress measures of <i>The Way We Move</i> including developing and maintaining forecasting models and records, and monitoring trends, for the City of Edmonton, the public and outside agencies.

Table 2 provides an illustration of funding to the Transportation Department and the Transportation Planning Branch. The total Transportation budget, which includes both transit and roadways expenditures, increased from \$615.7 million in 2006 to \$1,134.2 million in 2010. The Transportation Planning Branch operating budget increased from \$4.8 million in 2006 to \$13.2 million in 2010.

Table 2: Transportation Expenditures (Dollars in Millions)

	2006 Budget	2010 Budget
Department Operating Expenditures	\$279.6	\$414.1
Department Capital Expenditures	\$336.1	\$720.1
Total Department Capital and Operating Expenditure	\$615.7	\$1,134.2
TP Branch Operating Expenditures	\$4.8	\$13.2
% of TP Branch to Total Dept. Budget	0.77%	1.16%

The Transportation Planning Branch operating budget increase shown in Table 2 is the result of Transportation department reorganization and capital budget reallocation. In 2009, the Development Planning and Engineering business unit was amalgamated into the Transportation Planning Branch. This added 41 positions to the Branch, bringing the 2010 staff complement to 102 budgeted full time equivalent positions. Also, in 2009, non-compliant Tangible Capital Budget items (conceptual planning studies) equating to \$4.5M was moved from the capital budget to the Branch operating budget.

3. Results of Follow-up Review

The Office of the City Auditor (OCA) met with Transportation Planning Branch and other City staff to gather information and review results on progress to address each of the ten recommendations identified in the original audit report.

3.1. Transportation System – The Transportation Master Plan

The next four recommendations are related to the development of the City's Transportation Master Plan.

3.1.1. Recommendation 1 – Implemented

The OCA recommends that the Transportation Planning Branch undertake more frequent monitoring of travel patterns in addition to the major household travel survey conducted every ten years.

Background Leading to Recommendation

The Transportation Planning Branch relies on transportation mode data to enhance and refine its transportation modeling and predictive capabilities. Strategically, the OCA maintained that it is paramount for the City, who invests billions of dollars in future transportation infrastructure (roads, transit, and other), to have current survey data to understand how this investment supports the needs of the citizens of Edmonton. The OCA believed that for effective governance, the Administration must regularly measure and communicate strategic results like these to the governing bodies of City Council and the Transportation and Public Works Committee.

2010 Observations

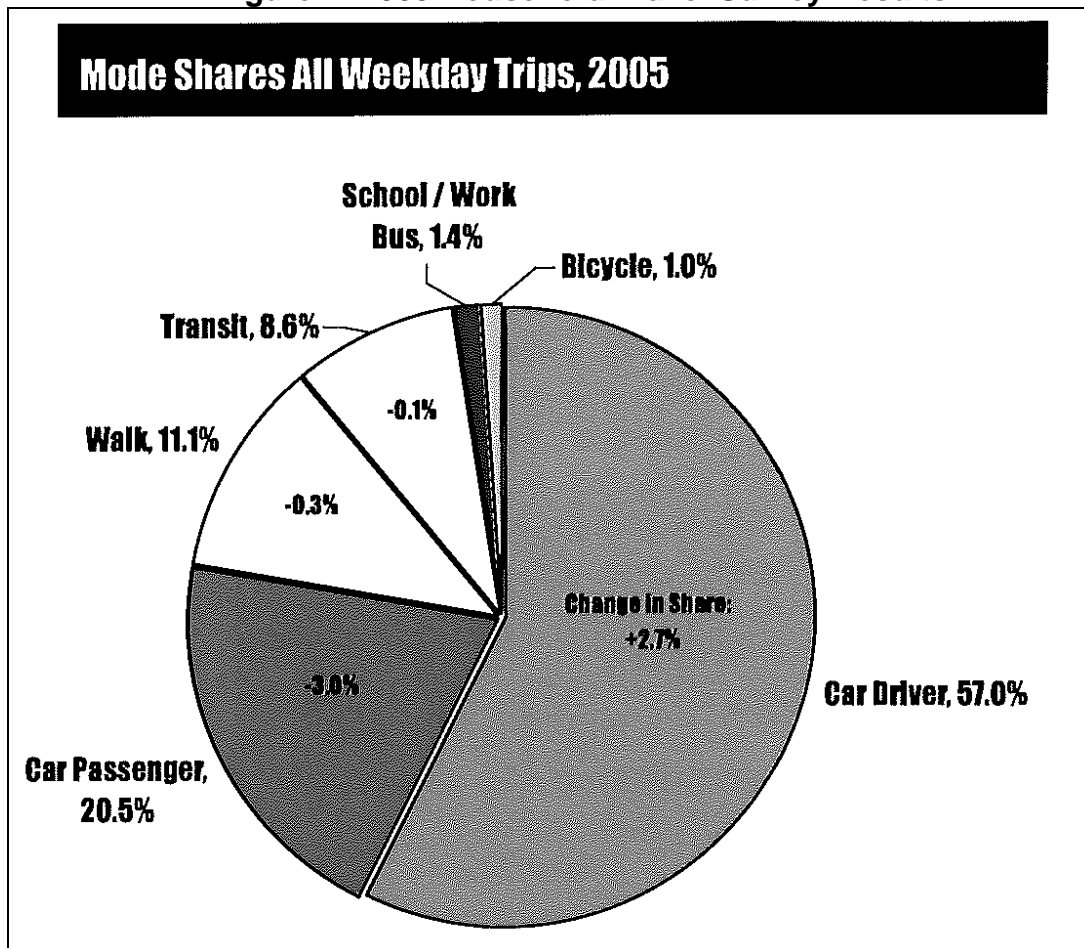
Household Travel Survey

In the audit report released in 2006, we included overview highlights from the City's Household Travel survey conducted in 1994. In 2005 the Transportation Department conducted another survey and the results were summarized and presented in May 2006. Figure 2 on the next page illustrates the transportation modes and changes since the 1994 survey. The chart is based on weekday trips which increased 14% in total volume since 1994.

We met with Transportation Planning staff who were involved in preparing the recent TMP: *The Way We Move*. Staff indicated that the ten year household travel survey provided useful input for the development of *The Way We Move*. Furthermore, staff

indicated that a ten year cycle for Household Travel Surveys is still appropriate and is consistent with most other municipalities.

Figure 2: 2005 Household Travel Survey Results



Source: 2005 Household Travel Survey Overview

Ongoing Strategic Monitoring and Analysis

In addition to the Household Travel Survey, the Transportation Planning Branch conducts ongoing strategic monitoring and analysis. The Branch evaluates and monitors both traffic and transit trends. This information is provided to the Transportation Operations Branch and Edmonton Transit System to help manage Edmonton's transportation network. Information produced by the Branch is also used by the Planning and Development Department and outside developers for land planning purposes. Additionally, the Office of Traffic Safety, and in turn, the Edmonton Police Service makes use of the information for traffic enforcement planning. Finally, information is also made available for public use and includes reports such as Traffic and Collision, Transit Ridership, and Travel Pattern Analysis.

The Branch has introduced new technology such as automated traffic counters to conduct traffic monitoring exercises such as turning movements, and traffic volume counts. Additionally, the Branch is making active use of automated passenger counters

(APC's) for public transit monitoring on buses. APC's are currently installed on approximately 20% of all buses. The Branch continues to explore new technologies such as video monitoring to improve efficiencies for vehicle, bicycle and pedestrian counts.

Conclusion

This recommendation has been satisfactorily implemented. The Transportation Planning Branch completed another Household Travel Survey in 2005 and completed more frequent monitoring of travel patterns through the use of improved technologies.

The completion of the Household Travel Survey by the Branch provides City Council with valuable information on changing travel modes which is useful information to fulfill their governance role. Information provided on progress measures, (which will be discussed later in this report), and the various traffic and transit reports address the need for more frequent traffic monitoring results.

3.1.2. Recommendation 2 - Implemented

The OCA recommends that the Transportation Planning Branch update the Transportation Master Plan within the next two years, and develop the process for continual review and update that includes both City Council and stakeholder input.

Background Leading to Recommendation

The TMP is a legislated requirement under the former provincial *City Transportation Act* (now superseded by the *Highway Protection and Development Act*) and sets the strategic direction and future investments of the City's transportation system. The 1999 TMP took a total of 6 years from development to approval by City Council. At the time of our original audit in 2006, the OCA advocated for the updating of the 1999 TMP to reflect the changing needs of the City. During the development of the 1999 TMP, resources were assigned for a defined period of time and then the team was disbanded. We recommended that the Transportation Planning Branch develop a process for continual review and update of the TMP to ensure that the TMP remains relevant to the City's changing needs.

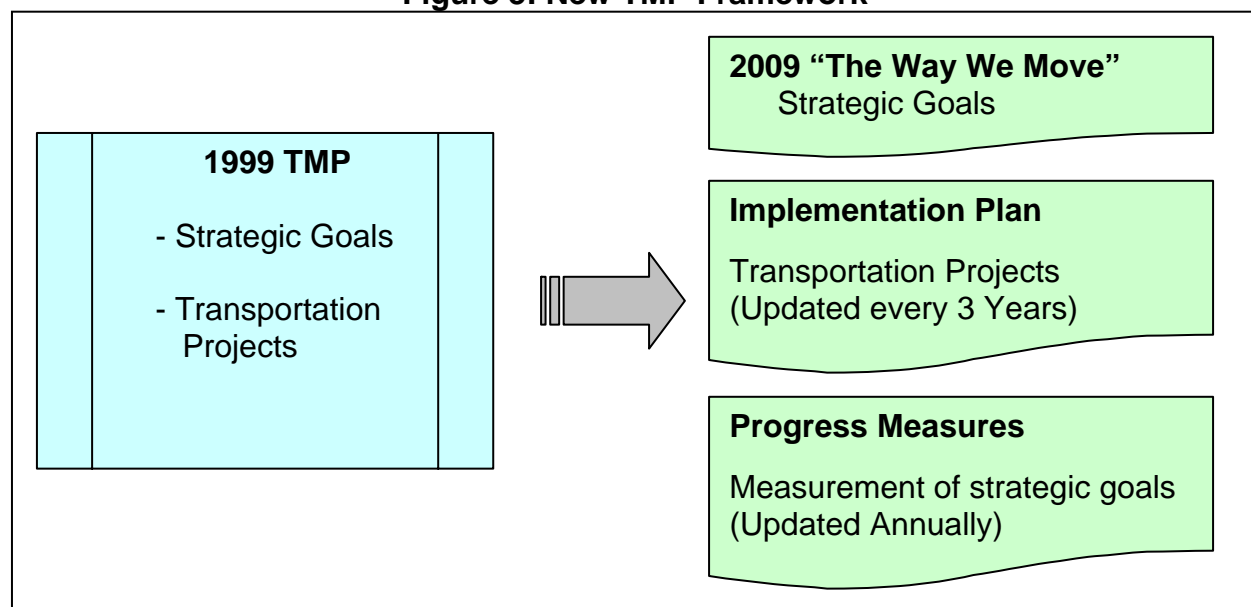
In our 2006 audit report, we indicated that a major TMP rewrite every ten years and supplementary three-year priority reviews would be sufficient to keep the plan current. The three-year review cycle would allow each newly-elected City Council to understand what the TMP contains and validate its content and priority during their term of oversight.

Our research also suggested that project prioritization within the TMP was not well-understood. External stakeholders suggested that they would like more involvement than just participating in strategic goal development and encouraged the City to be more transparent in the prioritization of transportation projects. Also, external stakeholders suggested that the plan did not have a regional focus. Overall, these comments indicated that more input from community and business groups was required.

2010 Observations

In September 2009, City Council approved *The Way We Move*, the City of Edmonton’s new TMP. *The Way We Move* establishes a new strategic transportation framework for how the City will address the future transportation needs for the next thirty years. *The Way We Move* has two companion documents: an Implementation Plan, which sets out the immediate-term transportation priorities for the City, and a Progress Measures Report, which provides status on the City’s progress towards the seven strategic goals defined in the new TMP. Figure 3 illustrates the change from the 1999 TMP model to the new TMP framework.

Figure 3: New TMP Framework



We met with Transportation Planning Branch staff to discuss the overall process that was used to develop and maintain the City’s new TMP. Table 3 provides a chronology of key events.

Table 3: Chronology of TMP: *The Way We Move*

Year	Actions Taken
2006	The update of the TMP began in late 2006 with input from various stakeholders; including regional partners input was received on the TMP’s key focus areas, issues, and areas of concern.
2007	During 2007, key considerations identified were presented to a broader audience (stakeholder groups, web site questionnaire) to gain an understanding of how broadly certain values on transportation are held.
2008	During 2008, Strategic Goals and transportation policy direction was developed in conjunction with the Municipal Development Plan (MDP) and vetted through internal and external stakeholders. The Draft TMP and MDP was brought forward to City Council for consideration. Both Plans were referred back to the Administration for further refinement.

Year	Actions Taken
Nov' 08 – Sept' 09	From November 2008 to September 2009 public presentation of the new TMP: <i>The Way We Move</i> was conducted. Key policy areas were refined to reflect on-going developments.
Sept 2009	<i>The Way We Move</i> was approved by City Council in September, 2009.
July 2010	On July 7, 2010, City Council approved the TMP Progress Measures and implementation methodology outlined in the Interim Implementation Plan.
Present	Currently the Branch is developing a Transportation Master Plan Communications Plan.

Conclusion

The recommendation has been satisfactorily implemented. The Transportation Planning Branch has developed, and City Council has approved, a new TMP, *The Way We Move* replacing the TMP developed in 1999. *The Way We Move* engaged a comprehensive body of stakeholders and includes a strong regional focus. A process for continual update has been developed with Progress Measures which are to be updated annually and will provide a measure of results towards *The Way We Move* goals. The Implementation Plan separates specific projects from the new TMP and helps to identify alignment to other City Strategic Plans. The Implementation Plan will be updated every three years aligning to the City's Capital Budget process.

Overall, we believe that the new TMP framework will strengthen the governance of transportation planning through improved communications and transparency.

3.1.3. Recommendation 3 – In Progress

The OCA recommends that the Transportation Planning Branch, in consultation with City Council and other stakeholders develop formal transportation policy within the TMP that addresses the following areas: (a) people movement (b) goods movement (c) congestion levels (d) allocation of capital resources (e) project decision criteria (f) performance reporting and (g) transit land use integration.

Background Leading to Recommendation

In the 2006 audit report, we indicated that the effectiveness of City Council's governance over transportation planning could be improved by the establishment of a limited set of transportation policies which would be regularly reviewed. We stated that specific areas that would benefit from City Policy development: (a) people movement, (b) goods movement, (c) congestion levels, (d) allocation of capital resources, (e) project decision criteria, (f) performance reporting, and (g) transit land use integration.

(a) People Movement

We recommended that the Branch develop a people movement policy that would include targets for movement of people and specifically address transportation mode shift.

2010 Observations

The Way We Move defines public transportation as the cornerstone of Edmonton's transportation system. *The Way We Move* includes policy specifically directed at developing and expanding the existing public transportation system such as Light Rail Transit (LRT) and buses. *The Way We Move* also includes policy which encourages active transportation such as walking and cycling. The Transportation Planning Branch has identified four measures within *The Way We Move* Progress Measures relating to the goal of transportation mode shift:

- Overall Mode Split – reported every ten years as part of Household Survey
- Commute to Work Mode Split (Edmonton Region) – previously reported every five years as part of Federal census
- Transit Ridership per Capita – reported annually
- Vehicles Registration Per Capita – reported annually

(b) Goods Movement

We recommended a goods movement policy to establish policy regarding the movement of goods and services throughout Edmonton.

2010 Observations

The Way We Move includes a chapter dedicated to goods and services movement. The plan identifies the need for efficient movement of goods and services to support the strategic goal of Economic Vitality. A key direction of *The Way We Move* is that roadway improvements are focused on efficient goods movement. The Branch has identified one progress measure related to this goal:

- Results of satisfaction survey of Edmonton businesses

This progress measure will show how Edmonton's business community feels about the performance of the transportation system in relation to the movement of goods.

(c) Congestion Levels

The OCA identified the need for a congestion level policy that would establish specific and clear policy direction from City Council regarding acceptable congestion levels for all modes of transportation within the City.

2010 Observations

A congestion level policy is not specifically identified within the new TMP but mention is made to current and future conditions, acknowledging that road congestion will increase and it is neither possible nor desirable to build enough *roads* to fully alleviate congestion. *The Way We Move* Progress Measures Report contains two measures which relate directly to congestion levels for goods and services and public transportation:

- Travel Time and Reliability for Goods and Services Movements on Select Corridors – reported annually

- Travel Time and Reliability for public transit – reporting to be determined

Currently the Transportation Planning Branch has established congestion guidelines developed in 2005 that relate to roadways only. The Branch has indicated that they would like to make these congestion guidelines more multi-modal such that they include lifestyle modes like walking and cycling. Once these guidelines are developed they will be brought forward to TPW Committee and City Council for review.

(d) Allocation of Capital Resources

The OCA recommended transportation policy to provide direction on the allocation of capital funds for transit and roadways that considers ongoing associated operating costs.

2010 Observations

Allocation of capital resources is not addressed within the new TMP but is addressed within *The Way We Move* Implementation Plan. The Implementation Plan identifies how both capital and operating budget funding is allocated on a percentage basis to each of the seven strategic transportation goals defined in *The Way We Move*. The next version of the Implementation Plan will identify specific future transportation projects for both roadways and transit, and will align with the three year capital budget cycle.

(e) Project Decision Criteria

The OCA recommended a project decision criteria policy to establish criteria for major transportation investment decisions and to facilitate project prioritization.

2010 Observations

The Branch is currently working to develop project decision criteria and have indicated that the targeted date for this is the second quarter of 2011 as part of the next Implementation Plan. The Branch has stated that a project prioritization model will be developed internally and will consist of decision criteria approved by City Council.

(f) Performance Reporting

The OCA recommended performance reporting policy to establish a framework for strategic performance reporting, including identification of targets, performance measures, and frequency.

2010 Observations

Performance reporting is addressed through *The Way We Move* Progress Measures Report that will be reported by the Branch on an annual basis to City Council. Identification of performance targets is discussed later in this report under observations on Recommendation 5 (Section 3.2.1 on page 12).

(g) Transit Land Use Integration

The OCA recommended a transit land use integration policy to establish direction for land use around transit areas (bus and LRT) to coordinate and support the City's investment in transit infrastructure.

2010 Observations

The Way We Move includes specific policy on transportation and land use integration. Three measures included in *The Way We Move* Progress Measures Report address transportation and land use integration:

- Average Commute Distance (Edmonton Region) – reported every five years as part of Federal census.
- Proportion of Population and Employment near LRT Nodes, Transit Centres, and Transit Avenues – reporting to be determined.
- Proportion of New Development that is Transit Oriented Development – reporting to be determined.

Additionally, in October 2009, the City of Edmonton, led by the Planning and Development and Transportation Departments, developed “The Integrated Land Use Framework – Transit Oriented Development Guidelines”. This framework is a set of regulatory and advisory tools to integrate transit and land use near transit facilities, with a focus on LRT stations. The framework will foster development that is complementary with and supportive of the significant public investment in transit infrastructure by ensuring that:

1. Incremental infill development does not preclude future transit oriented development.
2. Station Area Plans around future or existing LRT stations are developed where appropriate to create successful transit oriented development.

Conclusion

The Branch has developed policies relating to people movement, goods movement, allocation of capital resources, and transit land use integration. Policies relating to congestion levels, project decision criteria, and performance reporting are currently under development. We believe these transportation policies will serve to provide greater accountability in the ongoing development of the City’s transportation system.

Management Response

Action Plan:

1. Project decision criteria will be brought forward to TPW and potentially Council in the second quarter of 2011 as part of the Implementation Plan.
2. Development of Congestion Guidelines for all transportation modes is planned for 2011.

Responsible Party: Branch Manager, Transportation Planning Branch

3.1.4. Recommendation 4 - Implemented

The OCA recommends that the Transportation Planning Branch work with the Law Branch to ensure that the transportation priorities list be maintained apart from the Transportation Master Plan.

Background Leading to Recommendation

The OCA observed that the 1999 TMP included a list of transportation priorities based upon the anticipated requirements of the City as forecast in 1999. The City's Transportation Systems Bylaw requires that statutory public hearings be held in order to make any changes to the 1999 TMP. This made it difficult for the City to easily update transportation priorities included within that TMP. We recommended that the list of transportation priorities be maintained outside of the TMP. This would allow the Administration and City Council the flexibility to re-prioritize the transportation projects every three years, which aligns to City Council terms of office and also to the capital budget planning cycle.

2010 Observations

As discussed under Recommendation 2, City Council approved the new TMP *The Way We Move* in September, 2009 which excludes specific transportation projects. These specific transportation projects are included in the 2009-2011 capital plan. The Branch is currently developing the 2011 Implementation Plan that will include a prioritization model to be used to identify the project listing for the next three years. The Implementation Plan will be updated every three years aligning to the City's Capital Budget process.

Conclusion

The recommendation is implemented given that the new TMP contains transportation priorities which are outside of the strategic TMP *The Way We Move*.

3.2. Governance of Transportation Planning

The next five recommendations are related to governance of transportation planning.

3.2.1. Recommendation 5 – In Progress

The OCA recommends that the Transportation Planning Branch develop strategic targets and performance measures and communicates them on a regular basis to the governing bodies (Transportation & Public Works Committee and City Council) as well as to external stakeholders upon approval.

Background Leading to Recommendation

In assessing the previous TMP (1999), the OCA observed that the Transportation Department did not have a process to identify progress towards the achievement of the strategic goals defined in the TMP. We maintained that for effective governance to take place management must demonstrate that the organization is moving towards established strategic goals and targets. We observed that management has

communicated project results, but not targets and measures to Council and the Transportation & Public Works Committee. We believed that communicating project level results does not replace the reporting of strategic results, and may overload and distract the governing body from its oversight role.

2010 Observations

On July 7, 2010 City Council approved *The Way We Move* Progress Measures and Implementation Methodology. The Progress Measures report will provide insight into the City's progress towards *The Way We Move* Strategic Goals. To monitor the progress towards the goals, 22 progress measures and 3 statistics will be reported annually.

Preliminary targets for these progress measures have been developed, however the Branch decided not to include targets until corporate performance measures and targets for *The Way Ahead*¹ are established.

Conclusion

The Transportation Planning Branch has developed a significant number of progress measures that were approved by City Council, however strategic targets have not yet been established and therefore this recommendation is still in progress. The establishment of these progress measures and annual reporting will improve Administration accountability and enhance the governance role of City Council. We maintain that establishment of performance targets is still necessary for effective governance.

Management Response

Action Plan: Progress Measures targets will be established by the Branch and approved by Council in 2011 once corporate measures and targets are approved.

Responsible Party: Branch Manager, Transportation Planning Branch

3.2.2. Recommendation 6 – Implemented

The OCA recommends that the Transportation Planning Branch develop a formal City policy for Council approval to define Administration, Transportation & Public Works Committee and Council roles in transportation planning.

Background Leading to Recommendation

Currently, the Transportation Department reports through the City Manager to the Transportation and Public Works Committee, which in turn reports to City Council. An effective governance framework helps the highest governing body focus on strategic direction and accomplishments of the organization. We recommended that the role of the Transportation and Public Works Committee (TPW) and its relationship with the Transportation Department and City Council needed to be enhanced such that this focus on strategic direction and accomplishments could be achieved.

¹ *The Way Ahead* is the City's 2009-2018 strategic plan which includes a vision of Edmonton 30 years in the future.

2010 Observations

As previously discussed, the new TMP framework includes *The Way We Move* and companion documents “Progress Measures” and an “Implementation Plan”. This new TMP framework largely achieves the objective of this recommendation in that City Council’s focus is on the strategic direction of the transportation system as defined in *The Way We Move*, and accomplishment is demonstrated through reporting of “Progress Measures.

Conclusion

We are satisfied that the Transportation Planning Branch has implemented this recommendation. The new TMP framework improves the governance of transportation planning by establishing City Council’s role in strategic setting and oversight in reviewing results.

3.2.3. Recommendation 7 – In Progress

The OCA recommends that the Transportation Planning Branch formally present a transportation decision model with appropriate criteria to Transportation & Public Works Committee and City Council for approval.

Background Leading to Recommendation

The OCA recommended that the Branch needed approved decision criteria to provide guidance on project prioritization. Examples of decision criteria include financial ratios such as minimum benefit-cost ratios, targeted payback periods, and targeted rate of return. These decision criteria will need to be vetted and confirmed by the governing bodies.

2010 Observations

This recommendation is currently in progress. As discussed earlier, the Transportation Planning Branch has developed its first Implementation Plan. The next version of the Implementation Plan is scheduled for the second quarter of 2011 and is expected to include a project prioritization model. Decision criteria for the prioritization of projects will be approved through City Council as part of this plan.

The Transportation Planning Branch has indicated that the project prioritization method should consider the following:

- The goals of *The Way We Move*.
- The progress measures of *The Way We Move*.
- A review of the literature for benchmarking best practices in transportation planning and business applications.
- A critical analysis of the literature review and how it is applicable and how it will set the direction of the City of Edmonton’s method.
- An evaluation of the different methods for creating priorities including but not limited to Cost Benefit Analysis.
- Consideration of projects for all modes of transportation (car driver, car passenger, bike, walk, public transit) and goods movement.

- Analysis of external impacts including societal and internal or user costs, land use and transportation interactions, emissions and environmental impacts, and life cycle costs including maintenance, capital and operating costs.
- Benefits of transportation improvements such as mobility and economic benefits; for example, % free flow, truck flows, transit ridership or network connectivity.

Conclusion

This recommendation is in progress. Until the Branch brings forward a decision model to TPW and City Council this recommendation is not fully implemented. The Branch has made significant progress towards the decision model and completion is targeted for the first quarter of 2011. The OCA strongly believes that the establishment and use of decision criteria will serve to provide a common understanding of how projects are compared and selected.

Management Response

Action Plan: Project decision criteria will be brought forward to TPW/City Council in the second quarter of 2011 as part of the Implementation Plan.

Responsible Party: Branch Manager, Transportation Planning Branch

3.2.4. Recommendation 8 – Implemented

The OCA recommends that the Transportation Planning Branch present every three years a reprioritized list of major transportation projects and planning studies to the Transportation and Public Works Committee and City Council for approval and that this list be reviewed annually.

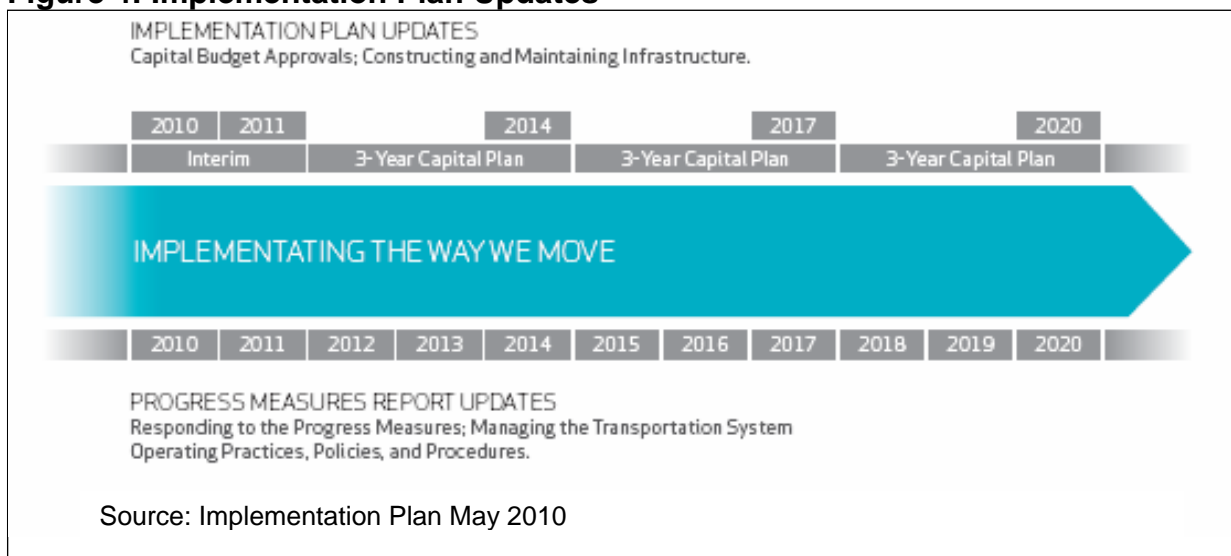
Background Leading to Recommendation

The OCA observed that the Transportation Branch did not present a prioritized listing of transportation projects and planning studies to the TPW Committee for annual review. We believed this process was necessary to enhance the role of TPW and improve overall governance of transportation planning.

2010 Observations

On March 17, 2009, the Transportation Planning Branch presented a report to TPW Committee on Planning Studies that it would be submitting as part of the 2009-2011 Capital Budgets. The report also identified a specific listing of studies and estimated costs for the three year period. This information was subsequently used to develop an approved Capital Budget profile.

The next Implementation Plan, slated for 2011, will be updated every three years aligning to the City Capital Budget process and will have a prioritization model which will be used to prioritize capital work. Implementation Plans will be subsequently prepared in 2014, and 2017, as illustrated in Figure 4 (next page). Each Implementation Plan will be presented to City Council for discussion and approval.

Figure 4: Implementation Plan Updates**Conclusion**

We are satisfied that the Transportation Planning Branch has implemented this recommendation. The Branch presented a three year listing of proposed studies and projects as identified in the recommendation. Additionally, the Transportation Planning Branch has developed the framework for the preparation of ongoing three year implementation plans. The three year cycle of Implementation Plans defines an active role for the TPW Committee in transportation priority setting. The three year cycle also aligns to City Council terms and therefore enhances the role of successive City Councils in building the City's transportation system.

3.2.5. Recommendation 9 - Implemented

The OCA recommends that the Transportation department enhance its public involvement process to provide a consistent and coordinated approach through all phases of transportation projects.

Background Leading to Recommendation

At the time of the audit in 2006, the City of Edmonton's *Public Involvement Framework* was just being established as a corporate standard for public involvement. The OCA observed that the Transportation department needed to improve its communication with the public regarding development of transportation projects. We observed that the public involvement was used in a limited manner in most transportation projects and was also limited to select stages of the transportation projects.

2010 Observations

On January 26, 2006, City Policy C513 on Public Involvement came into effect which defined how the City was to engage the public on City projects. This policy defined the purpose, commitment and approach to involving the public in a consistent manner for all City departments. The policy helps to confirm that the City will involve the public at different levels of engagement such as sharing of information, consultation, and active

participation. City Administrative Directive A1448, created May 2008, further defines the City's commitment to public involvement and requirement for City departments to follow the City's standard public involvement framework.

The Deputy City Manager's Office, Public Involvement Office established the corporate process for public involvement which included a framework and procedures to assist departments in developing and executing public involvement plans at each project stage. The various stages for City projects are shown in Figure 5.

Figure 5: City Project Stages



The Transportation department has now implemented the corporate public involvement process and makes extensive use of this process in the planning and delivery of transportation projects. The Transportation department seeks public input through active community involvement through various stages of transportation projects. Typical means of communication used in the public involvement process include community newsletters, open houses, and questionnaires. Staff provided examples of public involvement plans that were developed and successfully implemented for several projects. Within the Transportation Planning Branch there are three individuals who report to the Branch manager with shared responsibilities for public involvement.

The Transportation Branch indicated that the public involvement process is a key step for them in managing project risks however each project is slightly different and the process must be adapted accordingly. The Branch commented that the public is very helpful in identifying concerns which must be dealt with early on in the project since making project changes later is usually more costly. The Branch also believes that the additional upfront costs of public involvement are not significant relative to the overall project costs.

Conclusion

The recommendation has been successfully implemented. We observed that the department has effectively integrated the public involvement process within all aspects of transportation projects and is successfully using public input to manage risks and improve decision-making.

3.3. Managing Corporate Projects

This recommendation relates to the identification and management of risks relating to corporate level projects.

3.3.1. Recommendation 10 – Closed

The OCA recommends that the City Manager implement a corporate approach to identify and manage risks relating to corporate level projects.

Background Leading to Recommendation

Corporate projects require a high level of integration between City departments and branches in response to growth and development. Effective alignment and integration of various city planning functions is required to develop an effective transportation system and also to ensure that the City's interests are represented in a collective manner. To increase the level of integration, the OCA indicated that the City needed a process to identify major corporate projects and ensure it is protected from risks of a corporate nature.

We observed the challenges the City faced in managing corporate projects through our analysis of the 23rd Avenue Interchange. Several key learnings were identified including the need for the organization to better identify and manage the risks related to corporate projects.

2010 Observations

During 2009, corporate outcomes were developed by senior management to help bridge operational activities, programs, and services of the City with the 10-year strategic goals outlined by City Council in *The Way Ahead: City of Edmonton Strategic Plan 2009-2018*. Corporate outcomes will show the results the corporation is striving for and collectively serve as a roadmap demonstrating how the operations of the City align to the City's strategic plan. Corporate outcomes will be used by departments to establish a line of sight between their outcomes, outputs and measures, and the strategic goals.

In 2004, Senior Management Team approved the implementation of Value Management as a corporate-wide process. The City's Value Management Team assists business owners by preparing value cases for their initiatives, setting priorities, and coordinating the reporting and monitoring of the business benefits achieved from completed initiatives. To date the value management tool has been used primarily as an assessment tool for Capital Budget decisions. Within the Transportation department, a value case was prepared for the Office of Traffic Safety.

The Transportation Department has improved communication by leading a number of workshops with other departments, and outside stakeholders in the strategic planning of LRT routes. The key objectives of these workshops are to identify opportunities and risks associated with different alternatives. The intention is that each stakeholder has the opportunity to identify, from their perspectives, risks and opportunities which are then used in the overall decision-making process.

Conclusion

The Administration has taken steps to ensure that project risks are identified and managed through the implementation of the Value Management tool. However, the intent of our recommendation is to highlight risks/opportunities that an activity presents to the City as a whole, and not just at an individual project level. We have considered the best way to highlight the need for an enterprise wide perspective, and believe this requirement will be addressed as the Administration moves forward to implement an Enterprise Risk Management (ERM) program. As such, we have closed this

recommendation and will continue to monitor and support the Administration as the ERM program evolves.

4. Conclusion

Since 2006, the Transportation Planning Branch has made considerable progress to advancing the City's strategy for a future transportation system with the development of a new TMP "The Way We Move, Interim Implementation Plan, and Progress Measures Report.

We have assessed the results of the Branch in completing the recommendations identified in the 2006 Branch audit. Six of the ten original recommendations have been successfully implemented, three remain in progress and one recommendation is closed. We believe the progress made towards the achievement of the audit recommendations has resulted in improved transparency and accountability in transportation planning. We also believe this progress has led to a greatly improved governance model in transportation planning for the City.