Agenda - Executive Policy Committee - September 18, 2002

REPORTS

2. From the Director of Public Works
Report 2002/08/30

Relocation of Winnipeg Intermodal Terminal

File SC-4 (Vol. 3)

Recommending

1. That the City of Winnipeg support the relocation by CN of the Winnipeg Intermodal Terminal (WIT) from its current location to Symington Yard (Plessis Road) as it will reduce trucking activity on Kenaston Boulevard, reduce train activity/vehicular delay at the Kenaston Boulevard/CN Mainline crossing, and the Wilkes Avenue spur, and reduce the cost of a future underpass structure at the Kenaston Boulevard/CN Mainline crossing.

2. That a grant from the Economic Development Reserve be provided to CN in 2003 to offset the property taxes (municipal only, estimated to be approximately $220,000.00) payable on the current WIT site at Kenaston Boulevard and Wilkes Avenue for the years 2003/2004.

Public Works Department

Re: RELOCATION OF WINNIPEG INTERMODAL TERMINAL

For submission to: **EXECUTIVE POLICY COMMITTEE**

Original report signed by: **J.A. Thomson, P. Eng., Director of Public Works**

Report date: **August 30, 2002**

In Camera item: ☐ **Yes** ☒ **No**

Recommendation(s):

1. That the City of Winnipeg support the relocation by CN of the Winnipeg Intermodal Terminal (WIT) from its current location to Symington Yard (Plessis Road) as it will reduce trucking activity on Kenaston Boulevard, reduce train activity/vehicular delay at the Kenaston Boulevard/CN Mainline crossing and the spur track crossing Wilkes Avenue, and reduce the cost of a future underpass structure at the Kenaston Boulevard/CN Mainline crossing.

2. That a grant from the Economic Development Reserve be provided to CN in 2003 to offset the 2003/2004 property taxes (municipal only, estimated to be approximately $220,000) payable on the current WIT site at Kenaston Boulevard and Wilkes Avenue.

Report Summary

Key Issues:

- Significant benefits to the City of Winnipeg will result with the relocation of the Winnipeg Intermodal Terminal from Kenaston Boulevard to Plessis Road.
- Funding in the amount of approximately $220,000 to provide a grant to offset the property taxes (municipal only) for the current WIT site in 2003/2004 will be required from the Economic Development Reserve.

Implications of the Recommendation(s):

General Implications

- ☐ None
- ☐ For the organization overall and/or for other Departments
- ☒ For the community and/or organizations external to the City of Winnipeg
- ☐ Involves a multi-year contract

Comment:

Policy Implications

- ☒ No
- ☐ Yes

Comment:

Financial Implications

- ☐ Within approved current and/or capital budget
- ☒ Current and/or capital budget adjustment required

Comment:

Approximately $220,000 will need to be provided from the Economic Development Reserve.

Report

Recommendation(s):

1. That the City of Winnipeg support the relocation by CN of the Winnipeg Intermodal Terminal (WIT) from its current location to Symington Yard (Plessis Road) as it will reduce trucking activity on Kenaston Boulevard, reduce train activity/vehicular delay at the Kenaston Boulevard/CN Mainline crossing, and the Wilkes Avenue spur, and reduce the cost of a future underpass structure at the Kenaston Boulevard/CN Mainline crossing.

2. That a grant from the Economic Development Reserve be provided to CN in 2003 to offset the property taxes (municipal only, estimated to be approximately $220,000) payable on the current WIT site at Kenaston Boulevard and Wilkes Avenue for the years 2003/2004.

Reason for the Report:

Funding for the above recommendations requires the approval of Council.

History:

The Winnipeg Intermodal Terminal (WIT) was established by CN at Wilkes Avenue and Kenaston Boulevard in 1977. Recently, CN has indicated that it would be undertaking a relocation of the WIT from its current location on Kenaston Boulevard to Plessis Road (Symington Yard) and has requested financial assistance from the City of Winnipeg.

Discussion:

A. BENEFITS OF WIT RELOCATION

The relocation of the WIT will have several quantitative and qualitative benefits for the City of Winnipeg:

1. Reduction in truck traffic activity on Kenaston Boulevard

Based on field observations undertaken in March, 2002, an average of 273 trucks entered/left the WIT during the 7 am to 7 pm time period. Relocation of WIT will result in an elimination of this truck traffic, a reduction of 11% of the trucks on this section of Kenaston Boulevard during that time period. In addition, elimination of the WIT trucking activity will result in safer operating conditions for all traffic on this section of Kenaston Boulevard due to the removal of the need to accommodate large trucks turning into and out of the current WIT approach.

2. Reduction in the Number of Trains / Time of Crossing Closure

According to information provided by CN, currently, there are an average of 34 scheduled train crossings of Kenaston Boulevard at the CN Mainline in a typical day.

CN estimates that the total time that these trains currently occupy the crossing is 129 minutes per day

CN is also indicating that the relocation of WIT will result in the number of scheduled train crossings being reduced from 34 to 26 (a reduction of 24%), with an estimated total time occupying the crossing of 78 minutes per day.

Therefore, based on the CN data, the total time the crossing will be occupied will be reduced from 129 minutes to 78 minutes per day, a decrease of 40%.

It should also be noted that CN has stated that, based on the needs of their customers, an additional unscheduled 5 to 10 train crossings per week currently occur. These crossings will continue post WIT and will result in the crossing being occupied an additional 15 to 30 minutes per week or an average of approximately 2 to 4 minutes per day.

3. Underpass Project Cost Reductions

There will be a reduction in the cost of the railway structure because the number of tracks will be reduced to 2 from the 3 or 4 that were included in the original 1992 estimates.

It should be noted that that there may also be a reduction in the cost of the road works which will be required in conjunction with the underpass. The extent of such a reduction will be dependent on the road configuration required to adequately maintain traffic flow in this area with the implementation of the underpass.

4. Reduction in Impact on South Tuxedo Residential Area

Residents of South Tuxedo who are in proximity to the WIT have periodically expressed concerns regarding noise related to train activity associated with the facility. These concerns will be reduced if not eliminated with the relocation of WIT. In addition, if residential development is proposed for the south portion of the DND property, it would not be constrained by the WIT operation.

5. Reduction in Delay for Traffic on Wilkes Avenue and Shaftsbury/McCreary

There is currently a spur track providing access into the WIT which crosses Wilkes Avenue west of Kenaston Boulevard. This track is used to shunt rail cars to and from WIT and results in the Wilkes Avenue crossing being occupied for several minutes per train periodically throughout the day. The frequency of train activity varies and is dependent upon the amount of activity associated with the WIT however the resultant delays create considerable inconvenience for vehicles on Wilkes Avenue and also vehicles entering Wilkes Avenue via Shaftsbury Boulevard/McCreary Road. This delay will be eliminated with the relocation of the WIT.

It is the understanding of the Public Works Department that any costs associated with the removal of this spur would be the responsibility of CN.

B. IMPACT OF WIT RELOCATION ON PLESSIS ROAD

Plessis Road south of St. Boniface Road is a two lane asphalt road with ditch drainage which carries an average of 9,400 vehicles per day. The relocation of the WIT to Symington Yard results in the transfer of the truck traffic that currently utilizes Kenaston Boulevard (an average of 273 trucks in the 7 am to 7 pm time period) to Plessis Road.

Following discussions with representatives from the Public Works Department, CN has determined that they will be using the existing channelized approach as the main entrance for intermodal truck traffic. This approach serves as an entrance/exit for the existing businesses and includes a median, a southbound right turn deceleration lane and a northbound left turn lane. A new gated intermodal truck exit will be constructed south of this approach. This configuration is adequate for the additional traffic to be generated by this facility. The internal road network will include two stacking lanes approximately 250m long. It is not expected that traffic signals will be warranted based upon the additional intermodal traffic.

Therefore, no geometric modifications to Plessis Road in the vicinity of the Symington Yard access will be required to accommodate this additional truck activity.

The Plessis Road pavement was rehabilitated (asphalt overlay and drainage improvements) in 1999. As a result, it is not anticipated that any major road rehabilitation work will be required on Plessis Road as a result of the relocation of the WIT.

CN has indicated that the majority of truck traffic will utilize Fermor Avenue (Trans-Canada Highway) to access Plessis Road and the relocated WIT. Therefore the impact on the residential area of Plessis Road north of Camiel Sys Street will be minimal.

It should also be noted that the site of the relocated WIT is zoned for heavy industrial use (M3) and is designated industrial in Plan Winnipeg.

C. CN REQUESTS

CN has recently approached the City of Winnipeg to assist in the relocation of the WIT. Said assistance to include:

- Road work improvements on Plessis Road that may be required for the new access into the relocated WIT, if any.
- Forgiveness of the property taxes (municipal only) for 2003/2004 at the current WIT site.

In light of the significant benefits (both quantifiable and qualitative) to the City of Winnipeg of the relocation outlined in B. above, it is recommended that the necessary funds for a grant to offset the 2003/2004 property taxes (municipal only), estimated to be $220,000, be provided from the Economic Development Reserve in 2003. No road works are necessary on Plessis Road and therefore no funds are required.

In preparing the report, there was consultation with the Property Assessment and Planning, Property and Development Departments, the Chief Financial Officer, as well as CN.

This Report Submitted by:

Department:	Public Works Department
Division:	Transportation Division
Prepared by:	K.A. Rosin..... Phone No: 5293
File name:	WIT AUG 30 REPORT.DOC

Financial Impact Statement

Date: September 3, 2002

Project Name:

First Year of Program 2003

Relocation of Winnipeg Intermodal Terminal

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 220,000	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 220,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ 220,000	$ -	$ -	$ -	$ -

Additional Comments:

The above amount results from a grant provided to CN to offset the approximate property taxes due for 2003.

There will be a cost savings to the City of approximately $600,000 (1994 dollars) due to the reduction in costs of the proposed underpass structure at Kenaston Blvd. This amount is not included in the above FIS as it is not currently included in the capital forecasts.

Original approved by Darcy Stewart, CA

Approved by Divisional Accountant Trainee: ☑