Agenda - Executive Policy Committee - January 22, 2003

Report - Standing Policy Committee on Public Works - January 13, 2003

Item No. 2 Construction of a Sand/Salt Storage Facility at the 1539 Waverley Street Public Works Yard
File FB-1 (Vol. 7)

STANDING COMMITTEE RECOMMENDATION:

On January 13, 2003, the Standing Policy Committee on Public Works concurred in the administrative recommendation and recommended:

1. That approval be provided to construct a new salt/sand storage facility at the Public Works Yard at 1539 Waverley Street

2. That the $600,000 expenditure required for this project be charged to the 2002 Snow and Ice Control Current Budget

3. That as the construction of the sand/salt facility would commence in June 2003 the $600,000 be recorded as a contribution to the Commitment Reserve.

4. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Agenda - Executive Policy Committee - January 22, 2003

Report - Standing Policy Committee on Public Works - January 13, 2003

DECISION MAKING HISTORY:

STANDING POLICY COMMITTEE RECOMMENDATION:

On January 13, 2003, the Standing Policy Committee on Public Works concurred in administrative recommendation, and submitted its recommendation to Executive Policy Committee and Council.

Winnipeg

Public Works Department

Re: CONSTRUCTION OF A SAND/SALT STORAGE FACILITY AT THE 1539 WAVERLEY STREET PUBLIC WORKS YARD

For submission to: STANDING POLICY COMMITTEE ON PUBLIC WORKS

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

Report date: December 23, 2002

In Camera item: ☐ Yes ☒ No

Recommendation(s):

1. That approval be provided to construct a new salt/sand storage facility at the Public Works Yard at 1539 Waverley Street

2. That the $600,000 expenditure required for this project be charged to the 2002 Snow and Ice Control Current Budget

3. That as the construction of the sand/salt facility would commence in June 2003 the $600,000 be recorded as a contribution to the Commitment Reserve

Report Summary

Key Issues:

- This report recommends that a covered salt/sand storage facility be constructed at 1539 Waverley Street at a cost of $600,000

- Yard requirements at the South Area Maintenance Yard include the storage of salt and treated sand for use in snow and ice control

- Recent environmental guidelines into road salt use are directing road authorities across Canada to increase protection for materials exposed to wind or precipitation in order to minimize loss of salt to the environment

- A covered salt/sand storage facility would meet the expectations of the new Lindenridge neighborhood residents with regard to air pollution

- It is proposed that the funding for this project be charged to the existing 2002 Snow and Ice Control Current Budget; recognizing that these expenditures this year to date are below normal

- Last year, funding for the newly constructed covered salt/sand storage facility at 1220 Pacific Avenue was charged to the 2001 Snow and Ice Control Current Budget

Implications of the Recommendation(s):

General Implications

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

Comment:

Organization

- more effective use of salt/treated sand
- leadership in reducing the adverse effects of road salt

Community

- environmental stewardship by effectively managing the City's use of road salt
- reduced air pollution in surrounding residential neighbourhoods

Policy Implications

- ☐ No
- ☒ Yes

Comment:

- Historically major new structures/facilities are funded as part of the City's Capital Budget but Civic Accommodations has indicated that there are no approved funding for this type of project

- The Salt/Sand facility at 1220 Pacific Avenue was funded from the 2001 Snow & Ice Control Current Budget

- The City's comprehensive road salt management plan will require additional salt/sand storage facilities at yards in the future, namely the proposed East Area Public Works yard

- Existing policy directs unexpended Snow and Ice Control Current Budget funds to be transferred to the City's Snow Clearing Reserve Fund

Financial Implications

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

Comment:

Based on the current year-to-date expenditure levels in the Snow and Ice Control accounts, there will be no budget adjustments required to fund this project. However, the potential contribution at year-end to the Snow Clearing Reserve may be reduced.

Recommendation(s):

That approval be provided to construct a new salt/sand storage facility at the Public Works Yard at 1539 Waverley Street

1. That the $600,000 expenditure required for this project be charged to the 2002 Snow and Ice Control Current Budget

2. That as the construction of the sand/salt facility would commence in June 2003 the $600,000 be recorded as a contribution to the Commitment Reserve

Reason for the Report:

Approval of Council is required to undertake this project.

History:

On September 26, 2001, City Council approved a report recommending that approval be provided to construct a new sand/salt facility at 1220 Pacific Avenue and that the $550,000 expenditure required for the project be charged to the 2001 Snow and Ice Control Current Budget. This facility was constructed in the winter of 2001 and put into operation for the 2002/2003 winter.

Discussion:

The Streets Maintenance Division (South Area) has responsibility for the provision of snow and ice control services for more than 20% of the City including the rapidly growing south end, and the application of salt and treated sand abrasives to maintain roadways in a safe and accessible condition is a major part of the City's winter maintenance operation. Accordingly, it is necessary that considerable stockpiles of road salt and treated sand be maintained at the 1539 Waverley Street yard site.

Why Does the City Require A Covered Facility

A five-year scientific assessment was begun in 1995 by Environment Canada to determine if road salts were toxic to the environment. This assessment has identified that approximately 5 million tonnes of various types of road salt are used in Canada for roadway maintenance and these road salts enter the environment from storage yards, through their application on roads and through disposal of waste snow and ice. The assessment has been completed and the use of road salts has been identified as having an impact on the environment. The matter is currently under consideration by Cabinet as to whether the government will declare road salts as a toxic substance and a final decision is expected shortly.

The government has indicated that it fully recognizes the importance of road salts in providing safe driving conditions during winter months and whether road salts are designated as toxic substances or not, control measures are being developed that will ensure that road safety remains a top priority. As a result, Environment Canada is working with road authorities including municipal and provincial governments to determine how to minimize the risks road salt pose to the environment while maintaining the level of service that Canadians expect.

The City of Winnipeg is a member of the group that is actively working with Environment Canada to establish guidelines for road salt use including the establishment an overall Salt Management Action Plan framework and the development of road salt optimization strategies. As previously indicated, salt/treated sand storage is a major area of concern and improved stockpiling methods are critical. Therefore, protection for materials exposed to wind or precipitation is necessary to minimize the loss of salt to the environment.

A covered salt/sand storage facility has other additional benefits for the City as well. Road salt is mixed with sand to ensure that the treated sand does not freeze and make it difficult to use in our winter operations. A covered storage facility would allow a lower percentage (%) of salt to be used to treat the sand, generating some operational savings. Protection from the elements will also be an operational benefit through reduced handling costs. Currently, extra costs arise because of “lumping” that occurs in our exposed piles, making rehandling and/or remixing often necessary.

Finally, there is the issue of air pollution to the adjacent neighbourhoods. A covered salt/sand storage facility will eliminate any concerns that windblown contaminants may be an issue to the residents in the new Lindenridge subdivision area.

Financial Issues:

Cost of the proposed salt/sand storage facility is estimated to be $600,000 and it is recommended that this facility be constructed and the costs charged to the Snow and Ice Control Current Budget. The 2002 budget for Snow and Ice Control is $14,227,374. Based on the winter experiences to the end of November in 2002 there have been expenditures of $9,358,000 charged to this year’s Snow and Ice Control current Accounts. Budget expectations to that date, based on an average year’s snow accumulations, are roughly $10,755,000 leaving an under expenditure currently of $1,400,000 for the first eleven months of this year.

The City’s existing policy is that any under expenditures in this budget must be transferred at year-end to the Snow Clearing Reserve Fund. This reserve fund currently has a balance of $6.8 million.

This Report Submitted by:

Department:	Public Works Department	
Division:	Streets Maintenance Division	
Prepared by:	R. B. McPhail, P. Eng.....	Phone No: 986-2308
Processed by:	P. Peters	Phone No: 986-5872
File name:	1539 WAVERLEY REPORT.DOC	

Project Name:

Construction of Sand/Salt Storage Facility at the 1539 Waverley Street Public Works Yard

	2002	2003	2004	2005	2006
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	$ 600,000				
Less: Incremental Revenue/Recovery					
Net Cost/(Benefit)	$ 600,000	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	600,000				
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments:

Based on the current year-to-date expenditure levels in the Snow and Ice Control accounts, there will be no budget adjustments required to fund this project. However, the potential contribution at year-end to the snow Clearing Reserve may be reduced.

"Original approved by Darcy Stewart, CA"
for Manager of Finance & Administration

Manager of Finance & Administration

Approved by Divisional Accountant Trainee: [X]