Agenda – Council – April 29, 2009

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 14, 2009

Item No. 3 Inkster Boulevard (Keewatin Street to Brookside Boulevard) - Memorandum of Understanding with Province of Manitoba for Reconstruction of PR221
eFile S-7

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 22, 2009, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submits the following to Council:

1. That the City enter into a Memorandum of Understanding with the Province of Manitoba to manage the design and reconstruction of 1km length of Provincial Road 221 (PR221) beyond the City of Winnipeg limits west of Brookside Boulevard intersection in conjunction with the City's project for the twinning of Inkster Boulevard (Keewatin Street to Brookside Boulevard).

2. That the Chief Administrative Officer be delegated the authority to negotiate and approve the terms and conditions of the Memorandum of Understanding.

3. That the Public Works Capital Budget for 2009 for Inkster Boulevard be increased to include the reconstruction of PR221 (1 km west of Brookside Boulevard Intersection) funded by the Province of Manitoba in the currently estimated amount of $11,673,121.00.

4. That the Winnipeg Public Service be authorized to issue a combined Bid Opportunity (tender) for the construction of the City's project for the twinning of Inkster Boulevard (Keewatin Street to Brookside Boulevard) and the Province of Manitoba's project for the reconstruction of PR221 (Brookside Boulevard to Roy Roche Drive).

5. That a first call on the 2010 Capital Budget in the amount of $15,770,000.00 be approved for the Inkster Boulevard - Keewatin Street to Brookside Boulevard Project.

6. That the Chief Administrative Officer be delegated the authority to award the multi-year contract for the Inkster Boulevard (Keewatin Street to Brookside Boulevard) and the Province of Manitoba’s project for the reconstruction of PR221 (Brookside Boulevard to Roy Roche Drive). This authority may not be further delegated.

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

Agenda – Council – April 29, 2009

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 14, 2009

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 22, 2009, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On April 14, 2009, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

RE: INKSTER BOULEVARD (KEEWATIN STREET TO BROOKSIDE BOULEVARD) - MEMORANDUM OF UNDERSTANDING WITH PROVINCE OF MANITOBA FOR RECONSTRUCTION OF PR221 (1km WEST OF BROOKSIDE INTERSECTION)

FOR SUBMISSION TO: **Standing Policy Committee of Infrastructure Renewal and Public Works**

ORIGINAL REPORT SIGNED BY: **A/Director of Public Works**

REPORT DATE: **April 6th, 2009**

RECOMMENDATION:

1. That the City enter into a memorandum of understanding (MOU) with the Province of Manitoba to manage the design and reconstruction of 1km length of Provincial Road 221 (PR221) beyond the City of Winnipeg limits west of Brookside intersection in conjunction with the City's project for the twinning of Inkster Boulevard (Keewatin Street to Brookside Boulevard);

2. That the Chief Administrative officer be delegated the authority to negotiate and approve the terms and conditions of the Memorandum of Understanding;

3. That Council authorize the increase of the Public Works Capital Budget for 2009 for Inkster Boulevard to include the reconstruction of PR221 (1km West of Brookside Intersection) funded by the Province of Manitoba in the currently estimated amount of $11,673,121;

4. That the Public Service be authorized to issue a combined Bid Opportunity (tender) for the construction of the City's project for the twinning of Inkster Boulevard (Keewatin Street to Brookside Boulevard) and the Province of Manitoba's project for the reconstruction of PR221 (Brookside Boulevard to Roy Roche Drive);

5. That a first call on the 2010 Capital Budget in the amount of $15,770,000 be approved for the Inkster Boulevard - Keewatin Street to Brookside Boulevard Project;

6. That the Chief Administrative Officer be delegated the authority to award the multi-year contract for the Inkster Boulevard (Keewatin Street to Brookside Boulevard) and the Province of Manitoba's project for the reconstruction of PR221 (Brookside Boulevard to Roy Roche Drive). This authority may not be further delegated.

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

Report Summary

Key Issues:

- The twinning of Inkster Boulevard (Keewatin Street to Brookside Boulevard) was approved by the Council in the 2008 Capital Budget;
- The Province of Manitoba has approached the City of Winnipeg to manage the design and construction of 1km section of PR221 immediately west of Brookside Boulevard concurrently with the City of Winnipeg project to twin Inkster Boulevard;

- A City/Manitoba Memorandum of Understanding to facilitate the reconstruction of the 1km of provincial road immediately west of Brookside intersection in the City project will be good for road users and will support the CentrePort Canada initiative of providing a high speed corridor to promote international trade to and from Manitoba;

- Extending the limit of construction will allow better consistency in the design that will improve traffic flow and safety through the Brookside intersection from Inkster Boulevard to PR221;

- A combined tender should encourage bidders to provide better prices for the twinning of Inkster Boulevard - Keewatin Street to Brookside Boulevard Project;

- Province of Manitoba will pay all the costs pertaining to the design and reconstruction of PR221 section, including an administrative fee, in two installments prior to the construction season.

Implications of the Recommendation(s):

General Implications

	None
	For the organization overall and/or for other departments
X	For the community and/or organizations external to the City
X	Involves a multi-year contract

Comment(s): Combined initiative of the Province of Manitoba and City of Winnipeg will result in better traffic flow on Inkster Boulevard. Construction will be completed over two construction seasons.

Policy Implications

	No
X	Yes

Comment(s): A memorandum of understanding needs to be developed for the arrangement with the Province of Manitoba.

Regulatory Implications

X	None
	Eliminates or reduces regulatory impact
	Proposes regulatory impact

Comment(s):

Environmental Implications

X	No
	Yes

Comment(s):

Human Resources Implications

X	No
	Yes

Comment(s):

Financial Implications

	Within approved current and/or capital budget
X	Current and/or capital budget adjustment required

Comment(s): A first call on 2010 budget will be required to award the contract in 2009 for the City of Winnipeg section. An increase in Capital budget for Inkster Boulevard is needed for awarding Provincial section along with City of Winnipeg work. Funding for the section beyond City of Winnipeg limits will be provided by the Province of Manitoba.

Report

REASON FOR THE REPORT:

Council approval is required for a memorandum of understanding (MOU) between the City of Winnipeg and the Province of Manitoba for the design and reconstruction of Provincial Road (PR221) immediately west of Brookside intersection in conjunction with the City's Inkster Boulevard - Keewatin Street to Brookside Boulevard Project.

Council approval is required to increase the Public Works Capital Budget to include the funding to be received from the Province of Manitoba for the construction of PR221 (1km West of Brookside Blvd.) and award a combined Bid Opportunity (tender).

HISTORY:

The 2008 Capital Budget adopted by Council on December 18, 2007 and 2009 Capital Budget adopted by Council on December 16, 2008 includes funding in the amount of $1,100,000.00 and $15,232,000.00 respectively for the construction of Inkster Boulevard (Keewatin Street to Brookside Boulevard). Also a provision of additional funding amounting to $15,770,000.00 in the 2010 forecast has been made for this project.

DISCUSSION:

The City of Winnipeg is currently in the process of designing the twinning of Inkster Boulevard (Keewatin Street to Brookside Boulevard). Construction on this project is scheduled to start in 2009. Inkster Boulevard connects to the Provincial Road (PR221) at the Brookside Boulevard intersection.

To promote trade to and from Manitoba, the CentrePort Canada initiative has envisioned development of CentrePort Canada Way. It will promote the economy by creating a world class transportation hub that will improve western Canadian supply chain and support value added manufacturing activities.

Road access to CentrePort Canada will be provided via CentrePort Canada Way which will connect Inkster Boulevard, James A Richardson Airport, Western Rail intermodal facility and adjacent lands in the north west of Winnipeg to the Perimeter Highway.

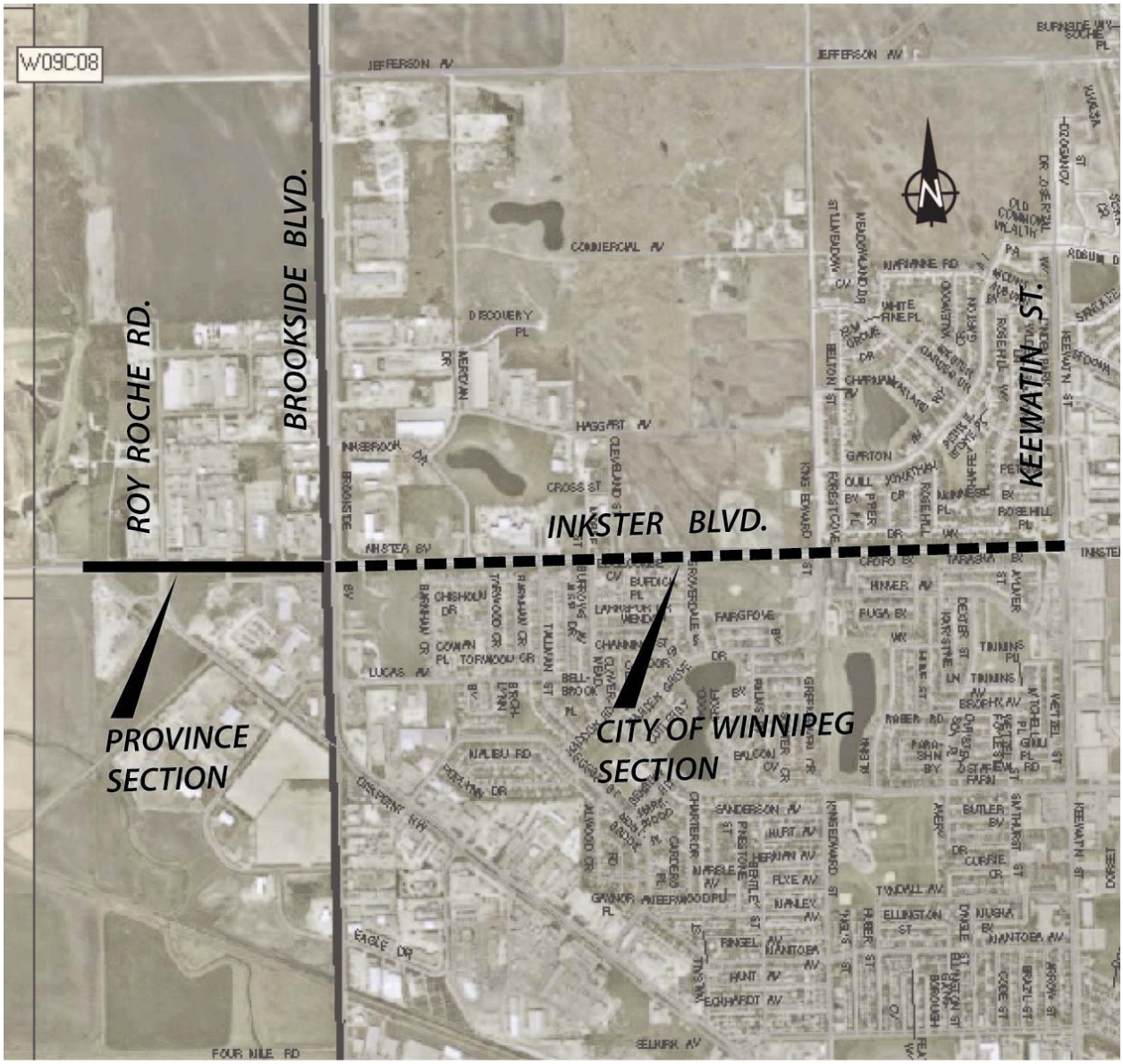
The Province of Manitoba has approached the City of Winnipeg to include design and reconstruction of the 1km section of PR221 immediately west of the Brookside Boulevard intersection in the City's Project for Inkster Boulevard - Keewatin Street to Brookside Boulevard. The Province and CentrePort Canada would benefit from advanced construction schedule and the City of Winnipeg will benefit by moving the end of construction transition from Brookside intersection to 1km west of intersection.

This arrangement will allow consistent design of the road on both sides of the Brookside Boulevard intersection and improve traffic flow.

To complete the project in a timely manner, maintain a consistent quality and achieve the better efficiencies, this project will be tendered as one project. Therefore it is recommended that the City manage the design and construction of this project that includes design and construction of 1km section of PR221 west of Brookside intersection and award the tender as one project.

The Province of Manitoba will deposit the necessary funds with the City of Winnipeg upon successful negations of the MOU. The funds required for the construction, consulting, and traffic service costs will be deposited in advance of the 2009 and 2010 construction season by the Province as identified and agreed upon in the MOU. In addition the Province will pay an administration fee to the City for the City services in managing the project.

Image showing Proposed Provincial section and City of Winnipeg Section


W09C08
ROY ROCHE RD.
BROOKSIDE BLVD.
INKSTER BLVD.
KEEWATIN ST.
PROVINCE SECTION
CITY OF WINNIPEG SECTION
JEFFERSON AV
COMMERCIAL AV
HAGGART AV
CROSS ST
INKSTER BV
FOUR MILE RD
SELKIRK AV

Financial Impact Statement

Date: March 26, 2009

Project Name: **First Year of Program** **2009**

INKSTER BOULEVARD (KEEWATIN STREET TO BROOKSIDE BOULEVARD) - MEMORANDUM OF UNDERSTANDING WITH PROVINCE OF MANITOBA FOR RECONSTRUCTION OF PR 221 (1km WEST OF BROOKSIDE INTERSECTION)

	2009	2010	2011	2012	2013
Capital					
Capital Expenditures Required	$ 21,691,890	$ 22,083,231	$ -	$ -	$ -
Less: Existing Budgeted Costs	16,332,000	15,770,000	-	-	-
Additional Capital Budget Required	$ 5,359,890	$ 6,313,231	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Province of Manitoba	5,359,890	6,313,231	-	-	-
Total Funding	$ 5,359,890	$ 6,313,231	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 11,673,121				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ 733,200	$ 2,310,200	$ 2,310,200	$ 2,310,200
Less: Incremental Revenue/Recovery	661,980	747,400	-	-	-
Net Cost/(Benefit)	$ (661,980)	$ (14,200)	$ 2,310,200	$ 2,310,200	$ 2,310,200
Less: Existing Budget Amounts	(661,980)	(14,200)	2,310,200	2,310,200	2,310,200
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Debt and Finance costs are applicable to the City's internal funded portion of this project. The Total Additional Capital Budget Required is based on Preliminary information for the Costs of PR221 (1km West of Brookside Blvd.) These costs will be fully funded by the Province of Manitoba, including all administration charges. This will have no financial impact to the City of Winnipeg. The 2010 Cash to Capital funding required as a First Call on the 2010 Capital Budget is included in the 2010-2014 Forecast of the 2009 Adopted Capital Budget.

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

IN PREPARING THIS REPORT THERE WAS:

Internal Consultation With and Concurrence By:

External Consultation With:

N/A

THIS REPORT SUBMITTED BY:

Department: Public Works Department
Division: Engineering Division
Prepared by: P. Paul, P. Eng. 986-5335
Processed by: J. Black 986-4141
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