Agenda – Executive Policy Committee – June 19, 2013

REPORTS

Item No. 2 Single Source Negotiations – Engineering Services for Local Streets Renewal Program

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

That the Executive Policy Committee approves single source negotiations for engineering services (all phases) related to the Local Streets Renewal Program at an estimated cost of $1,200,000, plus GST and PST, subject to satisfactory offers being received, in accordance with section B4.1 (j) of the Materials Management Policy, where there is an unforeseeable and immediate need to deliver local streets renewal projects this year due to recently announced additional funding being provided by the Province of Manitoba.

ADMINISTRATIVE REPORT

Title: **APPROVAL FOR SINGLE SOURCE NEGOTIATIONS – ENGINEERING SERVICES FOR LOCAL STREETS RENEWAL PROGRAM (ALL PHASES) AND AWARD OF CONTRACT FOR PHASE 1 ONLY – BID OPPORTUNITY 424-2013**

Critical Path: **EXECUTIVE POLICY COMMITTEE**

AUTHORIZATION

Author	A/ Department Head	CFO	CAO
L. P. Deane, P. Eng.	J. Berezowsky	M Ruta	D. Joshi COO

RECOMMENDATIONS

That the Executive Policy Committee approves single source negotiations for engineering services (all phases) related to the Local Streets Renewal Program at an estimated cost of $1,200,000, plus GST and PST, subject to satisfactory offers being received, in accordance with section B4.1 (j) of the Materials Management Policy, where there is an unforeseeable and immediate need to deliver local streets renewal projects this year due to recently announced additional funding being provided by the Province of Manitoba.

REASON FOR THE REPORT

Executive Policy Committee has the delegated authority to approve single source negotiations without the solicitation of competitive offers in accordance with Section B 4.1 (j) of the Materials Management Policy where there is an emergency.

As the total conditional amount to be paid by the City pursuant to the contract does not exceed $2 million, the Director of Public Works may award the contract under the authority delegated pursuant to Administrative Standard FM-002.

IMPLICATIONS OF THE RECOMMENDATIONS

The Province of Manitoba recently announced that it is providing the City of Winnipeg an additional $7 million for the Local Streets Renewal Program of which an estimated $1,200,000 is required to fund engineering services. It is their expectation that the additional street locations included in this additional funding will commence this year. In order to ensure the funds will be expended this year, engineering firms will have to be retained as soon as possible. The Public Works Department 2009 Detailed Design Capital account will be used to fund the preliminary engineering services until Council increases the 2013 Capital Budget. The recommendation to increase the budget is being scheduled for the June 26, 2013, meeting of Council. Conditional on Single Source negotiation approval by EPC, Council approval of the budget increase, and successful negotiations with a Contractor, it is the intention of the Department to request award approval, within delegated authority, from the Director of Public Works for the subsequent phases of this project.

The Public Works Department requires the flexibility to identify engineering firms, who in its opinion, have the resources and availability of time to provide immediate engineering consulting services for the local streets renewal projects that are to be funded by the Province of Manitoba. It is advantageous to the City to engage engineering services through a single source procedure in order to ensure that the

construction of the projects can be initiated this year. A list of the additional street locations included in the $7,000,000 funding is attached as Appendix 1.

HISTORY

At its meeting of January 29, 2013, Council approved the 2013 Capital Budget that included $10 million for the Local Streets Renewal Program, which receives a funding contribution from the Province of Manitoba. The engineering assignments for this program have already been awarded. The Province of Manitoba recently announced that it would be providing additional funding of $7 million for the City of Winnipeg's Local Street Renewal Program. Council is required to increase the 2013 Capital Estimates to reflect the increase in funding to permit the additional program to proceed.

FINANCIAL IMPACT

Financial Impact Statement **Date:** June 11, 2013

Project Name: **First Year of Program** **2013**

APPROVAL FOR SINGLE SOURCE NEGOTIATIONS – ENGINEERING SERVICES FOR LOCAL STREETS RENEWAL PROGRAM (ALL PHASES) AND AWARD OF CONTRACT FOR PHASE 1 ONLY – BID OPPORTUNITY 424-2013

	2013	2014	2015	2016	2017
Capital					
Capital Expenditures Required	$ 1,245,085	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	432,600	-	-	-	-
Additional Capital Budget Required	$ 812,485	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
External	-	-	-	-	-
Grants - Provincial Funding	812,485	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	$ 812,485	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 812,485				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	36,265	-	-	-	-
Net Cost/(Benefit)	$ (36,265)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(36,265)	-	-	-	-
Net Budget Adjustment Required	$ 0	$ -	$ -	$ -	$ -

Additional Comments: The Capital Expenditures Required amount includes an estimate for PST, on the Detailed Design component of the consulting assignment, and overheads. Recoveries represent the Department's Engineering administration charges. The 2009 Public Works Detail Design Capital Account, # 1812000209, will be used to fund the preliminary engineering services in the interim until Council approves an increase to the 2013 Regional and Local Street Renewal Capital Budget. A report, recommending an increase to the 2013 Regional and Local Street Renewal budget for $7 million of additional Provincial funding recently announced, has been submitted and is being scheduled for the June 26, 2013 Council meeting.

This additional $7 million budget will fund all costs related to the additional streets to be added to this year's Regional and Local Street Renewal Program, including this report's consulting engineering services costs.

Original signed by D. Stewart, CA
D. Stewart, CA
Manager of Finance & Administration

CONSULTATION

In preparing this report, there was consultation with:
Materials Management and Legal Services

SUBMITTED BY

Department: Public Works
Division: Engineering
Prepared by: W. M. Woroby, P. Eng.
Processed by: J. Curti
Date: *May 28, 2013*
File No.

Appendix 1: 2013 Local Streets Program-Phase 3

APPENDIX 1

2013 LOCAL STREETS PROGRAM-PHASE 3

Ward	Street	From	To	Treatment
Elmwood – East Kildonan	Dunrobin Ave	Raleigh St	Golspie St	AC Reconstruction
Fort Rouge – East Fort Garry	Nesbitt Bay	Crescent Dr	Pembina Hwy	AC Reconstruction
Mynarski	Parr St	Hartford Ave	Jefferson Ave	Rehab
Mynarski	Parr St	Rupertsland Ave	Mc Adam Ave	AC Reconstruction
Old Kildonan	Manila Rd	Cartwright Rd	Jefferson Ave	Rehab
Point Douglas	Garton Ave	Marianne Rd	Inkster Garden Dr	Rehab
River Heights – Fort Garry	Fleet Ave	Rockwood St	Thurso St	Rehab
St. Charles	Allard Ave	Sumach St	Bedson St	Rehab
St. James – Brooklands	Ainslie St	Ness Ave	Bruce Ave	AC Reconstruction
Daniel McIntyre	Aubrey St	Wolseley	Bus Loop	Rehab
Daniel McIntyre	Aubrey St	Bus Loop	Palmerston Ave	AC Reconstruction
Charleswood – Tuxedo	Oakfield	Fairmont Rd	Fairmont Rd	Rehab
Charleswood – Tuxedo	Fairmont Rd	Oakfield	Grant Ave	Rehab
St. Boniface	Park Grove Dr	Chatsworth Pl	Beaverhill Blvd (West)	Rehab
St. Vital	Brentford Rd	Meadowood Dr	Wales Ave	AC Reconstruction
St. Norbert	Rue St. Pierre	Ave Lemay	Du Couvent	Mill and Fill
St. Norbert	Rue St. Pierre	Ave Ste Therese	South End	Mill and Fill
North Kildonan	Fraser's Grove	Henderson Hwy	Woodvale St	AC Reconstruction
Transcona	Kildare Ave W	Brewster St	Plessis Rd	Rehab