Agenda - Executive Policy Committee - July 16, 2003

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

Item No. 1 **Canada - Manitoba - Rural Municipality of Ritchot - City of Winnipeg Agreement on Flood Protection for the Community of Grande Pointe and the Area of St. Mary's Road South - Draft Amendment (March 2003)**
File PD

STANDING COMMITTEE RECOMMENDATION:

On May 13, 2003, the Standing Policy Committee on Public Works did not concur in the administrative recommendation and forwards same to Council.

Agenda - Executive Policy Committee - July 16, 2003

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

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On June 18, 2003, the Executive Policy Committee laid over consideration of the matter for thirty (30) days in order to allow the Chairperson of the Standing Policy Committee to provide reasons for waiver of the policy.

On May 21, 2003, the Executive Policy Committee laid over consideration of the matter for thirty (30) days.

STANDING COMMITTEE RECOMMENDATION:

On May 13, 2003, the Standing Policy Committee on Public Works did not concur in the administrative recommendation and submitted its recommendation to Executive Policy Committee and Council.

RE: CANADA-MANITOBA-RURAL MUNICIPALITY OF RITCHOT- CITY OF WINNIPEG AGREEMENT ON FLOOD PROTECTION FOR THE COMMUNITY OF GRANDE POINTE AND THE AREA OF ST. MARY'S ROAD SOUTH – DRAFT AMENDMENT (MARCH 2003)

FOR SUBMISSION TO: STANDING POLICY COMMITTEE ON PUBLIC WORKS

ORIGINAL REPORT SIGNED BY: Barry D. MacBride, P.Eng.
Director of Water and Waste

REPORT DATE: April 23, 2003

RECOMMENDATION(S):

It is recommended that:

1. That City Council waive its policy to collect the City's 10% share of community ring dikes from benefiting property owners in the case of Grande Pointe only.

2. The "Draft Amendment (March 2003)" of the "Canada-Manitoba-Rural Municipality of Ritchot-City of Winnipeg Agreement on Flood Protection for the Community of Grande Pointe and the Area of St. Mary's Road South", requiring commitment from the City to fund $22,669 of the Grande Pointe community ring dike, without recovery from the benefiting property owners and to fund $448,580 of the St. Mary's Road South buyout, be approved in principle as described herein.

3. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing, including the execution of any documents related thereto.

REPORT SUMMARY

KEY ISSUES: The City has a policy of recovering its share of a community ring dike from the benefiting property owners through a local improvement district. The benefiting property owners in Grande Pointe petitioned against the project defeating the local improvement levy. It is proposed that the City of Winnipeg's share of the cost of the Grande Pointe dike be funded by the City-at-large.

IMPLICATIONS OF THE RECOMMENDATION(S):

General Implications

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

Comment(s): The Federal and Provincial Governments have requested that the City fund the City's portion of the Grande Pointe community ring dike project in the reduced amount of $22,669 since the project is now substantially complete. In the spirit of cooperation with our Federal and Provincial Government partners to enhance flood protection for Winnipeg, the City should assume the 10% contribution for the Grande Pointe dike.

Policy Implications

	No
X	Yes – Comment(s): City Council's policy that the City's portion of secondary diking enhancements be recovered from the benefiting property owners through the local improvement process applies to the Grande Pointe Dike Project, but we are recommending that the policy be waived in this case.

Environmental Implications

X	None
	Yes – Comment(s):

Human Resources Implications

X	No
	Yes – Comment(s):

Financial Implications

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

Comment(s): Funds for the City's share of the Grande Pointe dike are included in the Permanent Secondary Dikes capital account.

REPORT

REASON FOR THE REPORT:

Council approval is required to amend an agreement committing the expenditure of City funds.

HISTORY:

During the spring 1997, Winnipeg and Manitoba experienced the "Flood of the Century".

In the summer 1997, the Federal and Provincial Governments committed to flood protection infrastructure projects in the Red River Valley.

In April 1998, the Minister of Natural Resources approved a community ring dike project for the community of Grande Pointe including Hallama Drive within the City limits.

On June 23, 1999, City Council adopted the Report of the Standing Policy Committee on Public Works titled “Secondary Diking Enhancements – Community Ring Dikes – Policy on Funding and Maintenance”, dated May 31, 1999. This report establishes the policy that the City will recover from the benefiting properties the 10% share of the community ring dike projects not covered by the Federal and Provincial governments.

On June 23, 1999, City Council adopted the Report of the Standing Policy Committee on Public Works titled “Canada – Manitoba – Rural Municipality of Ritchot – City of Winnipeg Agreement on Flood Protection Infrastructure for the Grande Pointe Area and the St. Mary’s Road Area”, dated May 31, 1999. The flood protection work to be undertaken under this Agreement includes a community ring dike for the Grande Pointe area. The report identifies that the City’s share of this project will be recovered from the benefiting property owners.

In the summer 1999, the Manitoba Department of Highways and Transportation began construction of the realigned Highway #59 south of the Floodway, which forms the east “leg” of the Grande Pointe dike.

On May 16, 2000, the City received a finalized copy of the “Canada – Manitoba – Rural Municipality of Ritchot – City of Winnipeg Agreement on Flood Protection for the Community of Grande Pointe and the Area of St. Mary’s Road South.”

On July 19, 2000, City Council adopted the Report of the Standing Policy Committee on Public Works titled “Canada – Manitoba – Rural Municipality of Ritchot – City of Winnipeg Agreement on Flood Protection for the Community of Grande Pointe and the Area of St. Mary’s Road South – Amendment #1.”

On July 18, 2001, City Council passed By-law 7876/2001 establishing the Riel Community Committee as the Committee of Council (District Proposal Committee) for the proposed Grande Pointe Community Ring Dike Local Improvement District.

On September 12, 2001, the District Proposal Committee held a Public Hearing with respect to the proposed Grande Pointe Community Ring Dike Local Improvement District.

On October 25, 2001, City Council gave first reading to By-law 7924/2001, which authorized the administration to advertise the undertaking of local improvements in the Grande Pointe Community Ring Dike Local Improvement District.

On December 12, 2001, City Council concurred in the recommendation of the City Treasurer that the Grande Pointe project (By-law 7924/2001) not proceed as the property owners who petitioned against the project comprised 51.66% of the district area which was in excess of the minimum 50% required to defeat a local improvement district project.

In the summer 2002, the Province substantially completed the buyout of homes and businesses in the St. Mary's Road South area.

In the fall 2002, the Province substantially completed the Grande Pointe community ring dike project.

On March 18, 2003, the City received "Draft Amendment (March 2003)" of the "Canada-Manitoba-Rural Municipality of Ritchot-City of Winnipeg Agreement on Flood Protection for the Community of Grande Pointe and the Area of St. Mary's Road South".

DISCUSSION:

Original Agreement

The Canada – Manitoba – Rural Municipality of Ritchot – City of Winnipeg Agreement on Flood Protection Infrastructure for the Grande Pointe Area and the St. Mary's Road Area provides a total of $6.3 million towards the Grande Pointe community ring dike project, including City of Winnipeg residents along Hallama Drive. Canada and Manitoba are contributing $2.835 million each, and the municipal share is $630,000. The municipal share is split between the Rural Municipality of Ritchot ($598,021) and the City of Winnipeg ($31,979) based on the number of benefiting properties. Included in the Agreement is the stipulation that the Rural Municipality of Ritchot share and the City of Winnipeg share are subject to successful local improvement levies applied to the benefiting properties.

This original agreement was drafted prior to the conclusion of studies of flood protection options for the St. Mary's Road Area. Therefore the agreement included the statement: "The proposed works for the St. Mary's Road/Greenview Road/Howden Road Area have not been finalized but all partners to this agreement commit to some form of action in addressing the flood protection issues facing this area."

Agreement Amendment #1

The flood protection work provided for in this Amendment included total buyout of homes and businesses in the St. Mary's Road South area, including Greenview Road (within the City of Winnipeg) and Howden Road (within the R.M. of Ritchot). The total cost of this work was estimated to be $6.6 million, based on all residents voluntarily taking the buyout. The City's share was estimated to be $471,900 to be paid for by the City-at-large rather than local improvement, as a local improvement is not appropriate for a buyout option.

There were no changes to the Grande Pointe community ring dike project in this Amendment.

Council approved this Amendment on July 19, 2000. However, the amendment was never formally executed by any of the parties to the Agreement.

Draft Amendment (March 2003)

A revised "Draft Amendment (March 2003) has been provided to the City since Amendment #1 was not finalized and because there was a requirement to make changes to the previous amendment. A copy of the Draft Amendment is attached.

This Amendment includes a new total cost estimate of the St. Mary's Road/Greenview Road/Howden Road buyouts, which is $6,273,850, as shown in Schedule "B". The City's share is $448,580. The Province substantially completed the buyout of homes and businesses in the St. Mary's Road South area in the summer of 2002, including removal of the buildings from the floodplain. All but one of the eligible property owners in the City accepted the voluntary buyout.

This Amendment also includes a new total cost estimate of the Grande Pointe community ring dike, which is $4,465,923, as shown in Schedule "A". The City's share is $22,669. The Province substantially completed the Grande Pointe community ring dike project in the fall of 2002. One component of the dike project, the Seine River diversion outlet structure to the Floodway, was considered part of the future Floodway expansion project and was paid for separately. This reduced the cost of the Grand Pointe dike project by approximately 29% or $1,834,000.

The Province proceeded with the Grande Pointe dike project over the period from the summer of 1999 to the fall of 2002. The Province proceeded with construction even though the Rural Municipality of Ritchot or the City of Winnipeg had not provided commitment for the municipal portion of the cost. Although both the Rural Municipality of Ritchot's and the City of Winnipeg's financial obligations under the Agreement were subject to successful local improvements, the R.M. did not proceed to advertising the local improvement as a result of the objections voiced by the benefiting property owners at a public meeting on February 7, 2001 in Ile des Chenes, Manitoba. For the benefiting properties in the City, the local improvement district was advertised on October 26, 2001 but defeated as the property owners successfully petitioned against the project.

As indicated in the Draft Amendment, the R.M. of Ritchot's share of the cost of the Grande Pointe dike is no longer to be recovered by local improvement. The R.M. of Ritchot's share is to be provided "in-kind", and this is further described as "assuming jurisdiction and all responsibility for the future operations and costs associated with" various roads and drainage structures under roads currently under the jurisdiction of the Province. This means that the R.M of Ritchot residents that benefit directly from the Grande Pointe dike will not pay directly for a portion of the cost of the dike. All residents of the R.M. of Ritchot will pay through property taxes for the R.M.'s agreement to assume additional responsibilities for operation and maintenance of roads and drains.

It is proposed that the City of Winnipeg's share of the cost of the Grande Pointe dike be funded by the City-at-large. Although this is contrary to the Council adopted policy to recover the City share of the cost of the project from the benefiting property owners, the situation in Grande Pointe deserves special consideration for the following reasons.

- The City residents in Grande Pointe should be treated in the same way as the R.M. of Ritchot residents, and the R.M of Ritchot is not recovering their share directly from the benefiting property owners through a local improvement.
- The Grande Pointe Dike and the other community ring dikes in the Valley south of Winnipeg are seen by the benefiting property owners as their major flood protection works. This equates to the major works that protect Winnipeg (Shellmouth Dam and Reservoir, Portage Diversion and the Floodway) and Winnipeg residents did not have a direct share of the costs of these works. The major works protecting Winnipeg do not protect the Grande Pointe residents.
- The property owners within secondary dike projects in the City north of the Floodway are outside the protection of the Primary Diking System but still receive the benefit of the Shellmouth Dam and Reservoir, Portage Diversion and the Floodway.
- The City cannot advertise this project as a local improvement district for three years or until October 2004, which is after March 31, 2004, the termination date of the Agreement Amendment.
- The Federal and Provincial Governments have requested that the City fund the City's portion of the Grande Pointe community ring dike project in the reduced amount of $22,669 since the project is now substantially complete. In the spirit of cooperation with our Federal and Provincial Government partners to enhance flood protection for Winnipeg, the City should assume the 10% contribution for the Grande Pointe dike.

As an alternative, after paying the $22,669 to the Province, the City could advertise the local improvement again in October 2004 to attempt to recover the cost from the benefiting property owners. This is not recommended as the dike is complete and therefore there is no incentive for the benefiting property owners to support the local improvement. It is therefore recommended that Council waive its policy to collect the City's 10% share of community ring dikes from benefiting properties in the case of Grande Pointe only.

FINANCIAL IMPACT:

The following financial impact statement for this project has been prepared in accordance with the recommendation adopted by Council on December 13, 2000.

Financial Impact Statement

Date: April 23, 2003

Project Name:

First Year of Program **2003**

CANADA-MANITOBA-RURAL MUNICIPALITY OF RITCHOT-CITY OF WINNIPEG AGREEMENT ON FLOOD PROTECTION FOR THE COMMUNITY OF GRANDE POINTE AND THE AREA OF ST. MARY'S ROAD SOUTH – DRAFT AMENDMENT (MARCH 2003)

	2003	2004	2005	2006	2007
Capital					
Capital Expenditures Required	$ 471,249	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	471,249	-	-	-	-
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	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ -	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Funds for this assignment are included in the 1999 to 2002 Capital Estimates under the Permanent Secondary Dikes account.

/ddm

Moira L. Geer C.A.
Manager of Finance & Administration

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH AND CONCURRENCE BY:

Consultation with another department was not required for this report.

THIS REPORT SUBMITTED BY:

Department: Water and Waste
Division: Engineering
Prepared by: Doug McNeil, P.Eng.
File No.: 020-08-09-03-01

O:\DMCNEIL \Flood97\DikeSFloodway\Amend.Grand Pointe & St Mary's AG. Std Report Format.Apr.03.doc

ATTACHMENT

DRAFT AMENDMENT (March, 2003)

CANADA-MANITOBA-RURAL MUNICIPALITY OF RITCHOT-CITY OF WINNIPEG AGREEMENT ON FLOOD PROTECTION FOR THE COMMUNITY OF GRANDE POINTE AND THE AREA OF ST. MARY'S ROAD SOUTH

THIS AGREEMENT AMENDMENT made this _____ day of _____, A.D. _____.

AMONG:

The Government of Canada
Hereinafter referred to as "Canada", or "the Government of Canada"
Represented by the Secretary of State (Western Economic Diversification)

AND

Her Majesty the Queen in Right of the Province of Manitoba
Hereinafter referred to as "Manitoba", or "the Government of Manitoba"
Represented by the Minister of Conservation

AND

The Rural Municipality of Ritchot
AND
The City of Winnipeg

Hereinafter referred to as "the Proponents"

WHEREAS on May 1, 1997 the Governments of Canada and Manitoba committed themselves to providing disaster assistance and support to the flood victims of the Red River Valley of southern Manitoba through nine specific actions under the Canada-Manitoba Agreement on Red River Valley Flood Disaster Assistance (1997);

AND WHEREAS the Governments of Canada and Manitoba entered into the Canada-Manitoba Partnership Agreement on Red River Valley Flood Protection on April 1, 1999.

WHEREAS Canada, Manitoba, the City of Winnipeg, and the Rural Municipality of Ritchot have entered into an agreement with respect to flood protection for the Community of Grande Pointe and the Area of St. Mary's Road South, dated the 29th day of March, 2000 (hereinafter referred to as the "Agreement");

WHEREAS Section 8.5 of the Agreement states that the Agreement may be amended by the signatories;

AND WHEREAS the signatories now deem it appropriate and necessary to amend the Agreement as set out below:

NOW THEREFORE the parties hereto mutually agree as follows:

1. The following subsection is hereby deleted:

1.1
c) "MWRB" means the Manitoba Water Resources Branch of Manitoba Conservation;

The following section is substituted for the above deleted subsection:

1.1
c) "MWB" means the Manitoba Water Branch of Manitoba Conservation;

2. The following subsection is hereby deleted:

2.3 The total cost to complete the Grande Pointe portion of the project is estimated at $6,300,000 to be shared amongst Canada, Manitoba and the Proponents as set out in Section 5 of this Agreement.

The following subsection is substituted for the above deleted subsection:

2.3 The total cost to complete the Grande Pointe project is estimated at $4,465,923 and the total cost to complete the St. Mary's Road portion of the project is $6,273,850 for a total project cost of $10,739,773 to be shared amongst Canada, Manitoba and the Proponents as set out in Section 5 of this Agreement;

3. The following subsection is hereby deleted:

4.1 This Agreement shall commence on and take effect from the date on which it has been executed, and shall terminate March 31, 2003 or such other date as may be mutually agreed to in writing by the parties hereto.

The following subsection is substituted for the above deleted subsection:

4.1 This Agreement shall commence on and take effect from the date on which it has been executed, and shall terminate March 31, 2004 or such other date as may be mutually agreed to in writing by the parties hereto.

4. The following subsection is hereby deleted:

4.3 Works implemented after April 1, 1998 prior to the signing of this Agreement, which are consistent with the subject matter and Schedule “A” of this Agreement, may be included in Project Authorizations.

The following subsection is substituted for the above deleted subsection:

4.3 Works implemented after April 1, 1998 prior to the signing of this Agreement, which are consistent with the subject matter and Schedules “A” and “B” of this Agreement, may be included in Project Authorizations.

5. The following subsection is hereby deleted:

4.5 Manitoba will, through the MWRB, be responsible for the following:

The following subsection is substituted for the above deleted subsection:

4.5 Manitoba will, through the MWB, be responsible for the following:

6. The following subsection is hereby deleted:

4.6

f) paying to either Canada or Manitoba, by way of quarterly payments, the amount due for eligible costs pursuant to Section 5 of this Agreement

The following subsection is substituted for the above deleted subsection:

4.6

f) paying to either Canada or Manitoba, by way of quarterly payments, the amount due for eligible costs, or contribution of an In-Kind amount, pursuant to Section 5 of this Agreement.

7. The following subsection is hereby deleted:

5.1 Subject to the terms and conditions of this Agreement, and subject to the funds being made available by the Parliament of Canada, Canada will pay 45 percent of the eligible project costs as defined in Section 4.3, 5.4 a) and 5.4 b) to a maximum of $2,835,000.

The following subsection is substituted for the above deleted subsection:

5.1 Subject to the terms and conditions of this Agreement, and subject to the funds being made available by the Parliament of Canada, Canada will pay 45 percent of the eligible project costs for the Grande Pointe and St. Mary's Road South projects as defined in Sections 4.3, 5.4 a) and 5.4 b) to a maximum of $4,832,897.

8. The following subsection is hereby deleted:

5.3 Subject to the terms and conditions of this Agreement, and subject to the funds being made available by the Proponents' authority, the Proponents will pay
10 percent of the eligible costs as defined in Sections 4.3, 5.4 a) and 5.4 b).

The following subsections are substituted for the above deleted subsection:

5.3

a) Subject to the terms and conditions of this Agreement, and subject to funds being made available by the City of Winnipeg authority, the City of Winnipeg will pay 0.5076 percent of the eligible project costs for the Grande Pointe project as defined in sections 4.3, 5.4 a) and 5.4 b), and;

b) Subject to the terms and conditions of this Agreement, and subject to the City of Winnipeg authority, the City of Winnipeg will pay 7.15 percent of the eligible project costs for the St. Mary's Road South project as defined in sections 4.3, 5.4 a) and 5.4 b).

c) Subject to the terms and conditions of this Agreement, and subject to the Rural Municipality of Ritchot authority, the Rural Municipality of Ritchot will pay its share of the project cost by way of an equivalent in-kind amount which consists of accepting transfer of ownership and responsibility for the road infrastructure outlined in Section 4.6 g).

9. The following subsection is hereby deleted:

5.5 Either Canada through WD, Manitoba through the Manitoba Water Resources Branch, or the Proponents will make payments for all eligible project costs. Canada, Manitoba and the Proponents will each contribute its share of eligible costs by way of quarterly payments to either Canada, Manitoba, or the Proponents as follows:

The following subsection is substituted for the above deleted subsection:

5.5 Either Canada through WD, Manitoba through Manitoba Water Branch, or the Proponents will make payments for all eligible project costs. Canada, Manitoba and the Proponents will each contribute its share of eligible costs

by way of quarterly payments to either Canada, Manitoba or the Proponents as follows:

10. The following subsection is hereby deleted:

8.8 To Manitoba: Director, Water Resources Branch
Manitoba Conservation
200 Saulteaux Crescent
WINNIPEG MB R3J 3W3

And should either Canada, Manitoba or the Proponents change address, that party shall provide the parties with written notice of such change immediately in the manner described above.

The following subsection is substituted for the above deleted subsection:

8.8 To Manitoba: Director
Water Branch
Manitoba Conservation
200 Saulteaux Crescent
WINNIPEG MB R3J 3W3

And should either Canada, Manitoba or the Proponents change address, that party shall provide the parties with written notice of such change immediately in the manner described above.

11. The following subsection is hereby deleted:

8.9 This document and Schedule “A” attached hereto shall be deemed to constitute the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous negotiations, representations and documents in relation hereto made by any party to this Agreement and shall inure to the benefit of and shall be binding upon the Parties hereto, and their respective heirs, executors, administrators, successors and assigns.

The following subsection is substituted for the above deleted subsection:

5.4 This document and Schedules “A” and “B”, dated February 12, 2003, attached hereto shall be deemed to constitute the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous negotiations, representations and documents in relation hereto made by any party to this Agreement and shall inure to the benefit of and shall be binding upon the Parties hereto, and their respective heirs, executors, administrators, successors and assigns.

12. The following new subsection clause is hereby added to the Agreement:

1.1

j) “MTGS” means Manitoba Transportation & Government Services

13. The following new subsection clause is hereby added to the Agreement:

4.5

g) placing a 37mm (average thickness) bituminous overlay and upgrading the gravel shoulder on existing PTH #59 at Grande Pointe as part of and prior to the transfer of this portion of PTH #59 to the Rural Municipality of Ritchot.

14. The following new subsection clauses are hereby added to the Agreement:

4.6

g) In addition to 4.6 a), 4.6 b), 4.6 c), 4.6 d), 4.6 e) and 4.6 f), the Rural Municipality of Ritchot will also be responsible for the following:

i) assuming jurisdiction and all responsibility for the future operations and costs associated with maintaining the presently designated PR #300 upon abandonment to the Rural Municipality of Ritchot except the
1.5 km within the City of Winnipeg which is to be retained by Manitoba Transportation and Government Services and maintained by the Rural Municipality of Ritchot in accordance with the terms and conditions of a maintenance agreement to be concluded with Manitoba Transportation & Government Services (MTGS);

ii) assuming jurisdiction and all responsibility for the future operations and costs associated with maintaining the existing portion of PTH #59 located within the Community of Grande Pointe upon abandonment to the Rural Municipality of Ritchot;

iii) assuming all responsibility for the future operations and costs associated with removal of the current Seine River bridge on existing PTH #59 and replacement with a suitable drainage structure;

iv) assuming all responsibility for the future operations and costs associated with the replacement of drainage culverts through existing PTH #59 at the Bernat Drain;

v) assuming all responsibility for the future operations and costs associated with the replacement of an existing drainage structure through existing PTH #59 at Lavalee Road;

vi) assuming jurisdiction and all responsibility for all operations and costs associated with all new roads encompassing the new Prairie Grove Road / Carriere Road / Southside Road connection on the east side of new PTH #59, once construction has been completed by MTGS;

vii) assuming jurisdiction and all responsibility for all new portions of PR #300 (ie: in the vicinity of the Oak Grove Road intersection, and in the vicinity of the Southside Road intersection), once construction has been completed by MTGS; and

viii) assuming jurisdiction and all responsibility for all operations and costs for the extension of existing PTH #59 near Mondor Road, (which will become part of the west service road to new PTH #59), once construction has been completed by MTGS.

15. The following new subsection clause is hereby added to the Agreement:

5.4

a)

vii) Notwithstanding Section 5.4 b) iii), the value associated with the transfer of jurisdiction and onus and responsibility for the maintenance and operation of infrastructure described in new subsection 4.6 g) will be considered an eligible project cost.

IN WITNESS WHEREOF this Agreement Amendment has been executed on behalf of Canada, on behalf of the Province of Manitoba, and on behalf of the Rural Municipality of Ritchot, and on behalf of the City of Winnipeg, by their duly authorized officers,

on this _____ day of _____, A.D. _____.

IN THE PRESENCE OF

_____
Witness

THE GOVERNMENT OF CANADA

_____
Secretary of State
(Western Economic Diversification)

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF MANITOBA

_____
Witness

_____
Minister of Conservation

RURAL MUNICIPALITY OF RITCHOT

_____
Mayor

_____
(Affix Municipal Seal)

Chief Administrative Officer

CERTIFIED AS TO DETAILS:

_____
Director, Water & Waste Department

THE CITY OF WINNIPEG

_____
Mayor

CERTIFIED AS TO FORM:

_____
City Solicitor

_____
City Clerk

SCHEDULE "A" (February 12, 2003)

GRANDE POINTE AREA FLOOD PROTECTION

GRANDE POINTE/HALLAMA DRIVE AREA

The scope and layout of the proposed works are generally as described in the April, 1998 report entitled "Feasibility Study: Diking Alternatives for South of the Red River Floodway", by Wardrop Engineering Inc. The works include a diversion of the Seine River, raising of PTH #59, construction of permanent diking, provision of internal drainage, engineering, acquisition, and other associated activity. The flood protection level for the works is the 1997 flood level plus a minimum of two feet.

Estimated Costs

Based on the scope of the work outlined in the 1998 report since reviewed and updated by Acres International, and the final design cost estimate by Department of Highways for PTH #59, the total estimated cost for the project is estimated at $4,465,923. This amount includes engineering studies, project management, Right-of-Way, Land Management Services' fees, and construction costs.

Projected Cash Flow

1997-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
$40,858.00	$17,793.00	$389,873.00	$1,005,372.00	$2,687,190.00	$324,837.00

Projected Cost Sharing

Canada	Manitoba	R.M. of Ritchot	City of Winnipeg
$2,009,665.00	$2,009,665.00	$423,924.00 (In-Kind)	$22,669.00

SCHEDULE "B" (February 12, 2003)

ST. MARY'S ROAD/GREENVIEW ROAD/HOWDEN ROAD
FLOOD PROTECTION

Proposed Project

The proposed project of buying out properties situated within the project area at St. Mary's Road /Greenview Road and Howden Road is described as a "total buyout option" in the
Acres International Ltd. Report entitled "St. Mary's Road South of the Floodway, Pre-Design Flood Protection Review", dated March 2000, and the Land Management Services Report entitled "Flood Protection Study St. Mary's Road Area – South of Floodway", dated June, 2000. This option provides local residents with the opportunity to participate in a voluntary buyout program targeted at the above noted project area. Target properties will be those with buildings and land subject to flooding during the 1997 flood.

Estimated Costs

The total cost estimate for the buyout project is $6,273,850.00. This amount includes engineering studies, project management, Land Management Services' fees, and the costs associated with property acquisition and disposition.

Projected Cash Flow

1997-1999	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004
$40,865.00	$103,108.00	$983,592.00	$4,395,767.00	$306,668.00	$443,850.00

Projected Cost Sharing

Canada	Manitoba	R.M. of Ritchot	City of Winnipeg	Homeowners *
$2,823,232.00	$2,823,232.00	$56,013.00 (In-Kind)	$448,580.00	$122,793.00

* Paid by homeowners in the Rural Municipality of Ritchot.