Minutes – Executive Policy Committee – April 16, 2014

REPORTS

Minute No. 272 Single Source Authorization for Manitoba Hydro Works Associated with the Polo Park Infrastructure Improvements Project

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That a single source negotiation with Manitoba Hydro in an amount not to exceed $3,500,000.00 plus GST for the addition, relocation and modification of existing Manitoba Hydro electric and gas infrastructure associated with the Polo Park Infrastructure Improvements Project be approved. Pursuant to B4.1 (a) of the Materials Management Policy, the supplier has the exclusive right to make the requisite supply.

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

DECISION MAKING HISTORY:

Moved by Deputy Mayor Swandel,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

Carried

ADMINISTRATIVE REPORT

Title: SINGLE SOURCE AUTHORIZATION FOR MANITOBA HYDRO WORKS ASSOCIATED WITH THE POLO PARK INFRASTUCTURE IMPROVEMENTS PROJECT

Critical Path: EPC – COUNCIL

AUTHORIZATION

Author	Department Head	CFO	CAO
L. P. Deane, P. Eng.	B.W. Sacher, P.Eng.	M. Ruta	D. Joshi A/CAO

RECOMMENDATIONS

That Council approve a single source negotiation with Manitoba Hydro in an amount not to exceed $3,500,000.00 plus GST for the addition, relocation and modification of existing Manitoba Hydro electric and gas infrastructure associated with the project. Pursuant to B4.1 (a) of the Materials Management Policy, the supplier has the exclusive right to make the requisite supply.

REASON FOR THE REPORT

On March 1, 2014, the Public Service required all single source contracts exceeding $1 million to be submitted to Council for approval.

IMPLICATIONS OF THE RECOMMENDATIONS

The 2013 Capital Budget adopted by Council on January 29, 2013 included funding for the Polo Park Infrastructure Improvements Project totaling $30,000,000.00.

The 2014 Capital Budget adopted by Council on December 17, 2013 included an additional amount of $10,000,000.00 in Provincial Funding for a total Project Budget of $40,000,000.00.

The financial status of the project is as follows:

Authorized Funding

2013 Capital Budget – Polo Park Infrastructure Improvements Project:	$30,000,000.00
2014 Capital Budget – Polo Park Infrastructure Improvements Project:	$10,000,000.00
Total Project Funding:	**$40,000,000.00**
Less: Estimated Total Costs of Previous Awards	$18,608,108.00
Total Funding Available for this Award:	**$21,391,892.00**
Amount of this Award:	$ 3,500,000.00
Engineering Administration:	$ 70,000.00
Interest Overhead:	$ 35,000.00
Estimated Total Cost of This Award:	**$ 3,605,000.00**

Remaining Budget Available for Polo Park Infrastructure Improvements…….. $17,786,892.00

HISTORY

On January 29, 2013, Council adopted the 2013 Capital Budget which included an amount of $30,000,000.00 for the Polo Park Infrastructure Improvement Project.

On June 20, 2013, the City of Winnipeg retained Morrison Hershfield Ltd. to undertake Project Planning and Preliminary Design for the Polo Park Infrastructure Improvements – St. Matthews Avenue, St. James Street, and Ellice Avenue based on the requirements of RFP 236-2013

On December 17, 2013, the 2014 Capital Budget was adopted and included an additional $10,000,000 in provincial funding under the Manitoba Winnipeg Infrastructure Agreement (MWIA), as announced by the Province of Manitoba on June 12, 2013 to bring the total project funding to $40,000,000.

On February 19, 2014, the City of Winnipeg retained Morrison Hershfield Ltd. to undertake the Detailed Design, Contract Administration and Post Construction Services for Polo Park Infrastructure Improvements – St. Matthews Avenue, St. James Street, Ellice Avenue, based on the requirements of RFP 236-2013.

Morrison Hershfield, in consultation with the City of Winnipeg and Manitoba Hydro, has identified the requirements for relocation, modification and addition of new street lighting and overhead distribution lines, as well as relocation and protection of existing medium and high pressure gas lines and gas regulator station in the areas of new and modified road pavements and sidewalks within the project limits.

Manitoba Hydro has the exclusive statutory right to supply the services required for these works.

The total cost related to the above is estimated at an amount not to exceed $3,605,000.00 plus applicable GST. The amount is considered reasonable for the required works.

The Department Controller has confirmed that funds are approved and available for this project.

FINANCIAL IMPACT

Financial Impact Statement **Date:** March 19, 2014

Project Name: **First Year of Program** **2014**

SINGLE SOURCE AUTHORIZATION FOR MANITOBA HYDRO WORKS ASSOCIATED WITH THE POLO PARK INFRASTRUCTURE IMPROVEMENTS PROJECT

	2014	2015	2016	2017	2018
Capital					
Capital Expenditures Required	$ 3,605,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	3,605,000	-	-	-	-
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	105,000	-	-	-	-
Net Cost/(Benefit)	$ (105,000)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(105,000)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: PW Capital project # 1803000213 - Polo Park-Infrastructure Improvements. Recoveries represent the Department's Administration Overhead and the Corporate Interest Overhead charges.

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

CONSULTATION

In preparing this report there was consultation with:
Legal Services Department (as to legal issues)

SUBMITTED BY

Department:	Public Works
Division:	Engineering
Prepared by:	B. Konzelman
Processed by:	J. Curti
Date:	March 17, 2014
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