Agenda – Executive Policy Committee – July 8, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – June 23, 2015

Item No. 7 Request for First Charge Against the 2016 Capital Budget for Waterway Crossings and Grade Separations Projects

STANDING COMMITTEE RECOMMENDATION:

On June 23, 2015, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That authorization be granted for expenditures of up to $13,300,000 in 2015 prior to the adoption of the 2016 Capital Budget, as a first charge against the General Capital Fund, in accordance with Subsection 288(2) of the City of Winnipeg Charter, to allow award of contracts to ensure timely delivery of projects associated with the 2016 Waterway Crossings and Grade Separations Program.

2. 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 – July 8, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – June 23, 2015

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 23, 2015, 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.

ADMINISTRATIVE REPORT

Title: **REQUEST FOR FIRST CHARGE AGAINST THE 2016 CAPITAL BUDGET FOR WATERWAY CROSSINGS AND GRADE SEPARATIONS PROJECTS**

Critical Path: **Standing Policy Committee on Infrastructure Renewal and Public Works, Executive Policy Committee and Council**

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
L. Deane, P. Eng.	B.W. Sacher, P. Eng.	B. Holsten Boyer	M. Jack COO

RECOMMENDATIONS

That authorization be granted for expenditures of up to $13,300,000 in 2015 prior to the adoption of the 2016 Capital Budget, as a first charge against the General Capital Fund, in accordance with Subsection 288(2) of the City of Winnipeg Charter, to allow award of contracts to ensure timely delivery of projects associated with the 2016 Waterway Crossings and Grade Separations Program.

REASON FOR THE REPORT

Council approval is required for a first charge for an expenditure of Capital funds prior to the adoption of the 2016 Capital Budget.

IMPLICATIONS OF THE RECOMMENDATIONS

The authorization requires a first charge on the 2016 Capital Budget to allow the award of contracts prior to the adoption of the 2016 Capital Budget, in accordance with Subsection 288(2) of The City of Winnipeg Charter.

HISTORY

On December 17, 2013, Council adopted the 2014 Capital Budget which included $1,000,000 in funding in 2014 for the Ness Avenue Culvert (Sturgeon Creek) to undertake preliminary and detailed design of the culvert replacement.

On December 10, 2014, Council adopted a first charge on the 2015 Capital Budget which included $700,000 in funding in 2015 for the Saskatchewan Avenue Bridge (Omand's Creek) to undertake preliminary and detailed design of the bridge replacement.

On March 23, 2015, Council adopted the 2015 Capital Budget which included $2,000,000 in 2015 and a forecasted amount of $11,000,000 in 2016 for the Ness Avenue Culvert (Sturgeon Creek) to undertake culvert replacement construction, and $700,000.00 in 2015 and a forecasted amount of $2,300,000 in 2016 for the Saskatchewan Avenue Bridge (Omand's Creek) to undertake bridge replacement construction.

In order to undertake these projects within the expected timelines in 2016, Bid Opportunities for each of these projects need to be awarded prior to Council approval of the 2016 Capital Budget. Both projects need to be tendered and awarded in Fall of 2015 so that construction can commence and all in stream work can be complete in March 2016. Delay in funding approval will delay these projects by one year which will cause increased costs to the City. Table 1 includes the summary of the project budgets and first charge requirements on the 2016 Capital Budget.

Table 1 - Summary of Projects Requiring First Charge Funding on 2016 Capital Budget

Project	Scope	Project Budget	Previously Approved	First Charge on the 2016 Budget
Ness Avenue Culvert (Sturgeon Creek)	Culvert Replacement	$14,000,000	$3,000,000	$11,000,000
Saskatchewan Avenue Bridge (Omand's Creek)	Bridge Replacement	$3,000,000	$700,000	$2,300,000
		$17,000,000	**$3,700,000**	**$13,300,000**

FINANCIAL IMPACT

Financial Impact Statement

Date: June 11, 2015

Project Name: **First Year of Program** **2015**

REQUEST FOR FIRST CHARGE AGAINST THE 2016 CAPITAL BUDGET FOR WATERWAY CROSSINGS AND GRADE SEPARATIONS PROJECTS

	2015	2016	2017	2018	2019
Capital					
Capital Expenditures Required	$ 13,300,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 13,300,000	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Provincial Funding	5,000,000	-	-	-	-
Cash to Capital	8,300,000	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ 13,300,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 13,300,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	648,816	-	-	-	-
Net Cost/(Benefit)	$ (648,816)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (648,816)	$ -	$ -	$ -	$ -

Additional Comments: A first charge of $13,300,000 on the 2016 Waterway Crossing and Grade Separations projects is requested. The 2016 Forecast of the 2015 Adopted Capital Budget includes $2,300,000 for the Saskatchewan Avenue Bridge (Omand's Creek) and $11,000,000 for the Ness Avenue Culvert (Sturgeon Creek). The funding sources are included in the 2015 Adopted Capital Budget. The Incremental Revenue/Recovery represents the Department Engineering Administration and Corporate Interest and Administrative Overheads. In a letter dated June 8, 2011 the Province of Manitoba committed to fund $5.5 million for the Ness Avenue Culvert - New Bridge construction (2013 - 2015) and $1.25 million for the Saskatchewant Avenue Bridge Replacement (2014 - 2015)

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

CONSULTATION

In preparing this report there was consultation with: N/A

SUBMITTED BY

Department: Public Works
Division: Engineering
Prepared by: D. N. Burmey, P. Eng.
Processed by: K. Ross
Date: June 12, 2015
File No.: 14-G-02, 15-G-02
Filename: L:\Admin\Reports 2015\Reports 2015\D Burmey\May\2016 Capital Budget First Charge Report May 13 15.doc

Attachments: