Agenda – Council – October 28, 2015

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – October 6, 2015

Item No. 7 Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass – Project Authority

STANDING COMMITTEE RECOMMENDATION:

On October 14, 2015, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the following to Council:

1. That the City of Winnipeg enter into such agreements with the University of Manitoba, Triple B Stadium Inc. and the Winnipeg Football Club as determined necessary by the Director of Legal Services and City Solicitor for the implementation of proposed works related to the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass project, other than land acquisition matters.

2. That authority be delegated to the CAO to negotiate and approve the terms and conditions of the agreements with the University of Manitoba, Triple B Stadium Inc. and the Winnipeg Football Club, together with such terms and conditions deemed necessary by the Director of Legal Services and City Solicitor to protect the interests of the City.

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

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – October 6, 2015

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On October 14, 2015, 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.

David Sanders submitted a communication dated October 6, 2015, in opposition to the matter. Portions of this submission are on file in the City Clerk's Office.

STANDING COMMITTEE RECOMMENDATION:

On October 6, 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.

David Sanders submitted a communication dated October 6, 2015, in opposition to the matter. Portions of this submission are on file in the City Clerk's Office.

ADMINISTRATIVE REPORT

Title: ***Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass – Project Authority***

Critical Path: Standing Policy Committee on Infrastructure Renewal & Public Works – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO/COO
S. Payne	D. Wardrop	B. Holsten-Boyer A/CFO	M. Jack COO

RECOMMENDATIONS

1. That the City of Winnipeg enter into such agreements with the University of Manitoba, Triple B Stadium Inc. and the Winnipeg Football Club as determined necessary by the City Solicitor / Director of Legal Services for the implementation of proposed works related to the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass project, other than land acquisition matters.

2. That authority be delegated to the CAO to negotiate and approve the terms and conditions of the agreements with the University of Manitoba, Triple B Stadium Inc. and the Winnipeg Football Club, together with such terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

REASON FOR THE REPORT

A portion of The Southwest Rapid Transitway (Stage 2) & Pembina Hwy. Underpass project proposed works will be undertaken on and adjacent to lands and buildings owned by various external parties.

The project will include new Transit stations, a bus staging area with an operator comfort station, and associated street improvements for Dafoe Street on University of Manitoba lands. The project will also include the construction of a pedestrian ramp for the proposed Investors Group Field stadium-station that will be built adjacent to the existing Investors Group Field stadium.

Agreements are required between the City and the land owners prior to executing this work.

Council approval is required for the above recommendations.

EXECUTIVE SUMMARY

The Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Private-Public Partnership Project (P3) is comprised of significant infrastructure components in the southwest quadrant of the city including: the completion of Stage 2 of the Southwest Transitway, the addition of active transportation infrastructure, the renewal and expansion of the Pembina Underpass, and connections to the University of Manitoba and Investors Group Field.

The project will help accommodate anticipated population growth in southwest Winnipeg that is expected to lead to an estimated 40 percent traffic increase on Pembina Highway by 2030. Once completed, the project improvements, which are consistent with the Council-approved Transportation Master Plan (2011), will allow for transportation options (buses, active transportation, cars, and trucks) to operate in a more sustainable and integrated manner. These benefits will begin upon project completion and last well into the future.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications associated with this report.

HISTORY

On June 25, 2014, Council approved the report submitted by the Transit Department entitled Capital Integration Project – Southwest Transitway (Stage 2) and Pembina Highway Underpass in which:

- A 2014 capital project was approved in the amount of $590 million, subject to confirmation of federal and provincial funding.
- The Project was authorized to proceed based on a Design-Build-Finance-(Operate)-Maintain (DBF(O)M) Public-Private Partnership delivery model.
- That the City of Winnipeg enter into such agreements with CN and Manitoba Hydro as determined necessary by the City Solicitor / Director of Legal Services to resolve all outstanding CN and Manitoba Hydro issues with respect to the project, other than land acquisition matters.

- That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the agreements with CN and Manitoba Hydro, together with such terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

The Project has a total budget of $590 million with funding being provided by all three levels of government. A portion of the funding will be financed through the private partner and paid back over 30 years. Annual service payments are expected to commence in 2020 for both the financing and maintenance of the project.

The City will need to enter into agreements with the University of Manitoba, Triple B Stadium Inc. and the Winnipeg Football Club for the proposed works to be constructed on those parties' properties. Adopting the recommendations will facilitate the construction of the proposed works in a timely manner.

FINANCIAL IMPACT

Financial Impact Statement **Date:** September 25, 2015

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

Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass – Project Authority

	2015	2016	2017	2018	2019
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other -	-	-	-	-	-
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: It is unknown at this time whether there will be any financial expenditures incurred or recoveries achieved as a result of these negotiations. Any financial expenditures or recoveries would be accommodated within the existing project budget.

original signed by

Tanis Yanchishyn, CPA, CA
Manager of Finance & Administration

CONSULTATION

In preparing this Report there was consultation with:

Legal Services as to legal issues.

OURWINNIPEG POLICY ALIGNMENT

The Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass project is in accordance with Our Winnipeg, section 02-2, Environment that states: “Our environment is the foundation for our economic and social health, and collectively, we need to continue to take responsibility for it. Our actions should contribute to the protection of the natural environment locally, regionally and globally, both for our own well-being and for future generations.

Direction - Reduce the environmental impact of our activities, through strategies such as planning for sustainable energy use and greenhouse gas reduction.

SUBMITTED BY

Department:	Transit
Division:	Major Projects
Prepared by:	Scott Payne, Manager of Major Projects
Date:	September 25, 2015
File No.	