Agenda – Executive Policy Committee – November 9, 2016

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – October 31, 2016

Item No. 1 Capital Budget Amendment and First Charge – Lyndale Drive Retaining Wall Rehabilitation

STANDING COMMITTEE RECOMMENDATION:

On October 31, 2016, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That expenditures of up to $5,000,000 be authorized in 2016 or prior to the adoption of the 2017 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 Lyndale Drive Retaining Wall Rehabilitation project. The 2017 Capital Budget first charge is $5,000,000 from the Lyndale Drive - Retaining Wall Rehabilitation Project. The total Capital Budget requirement for the Project including the first charge and previous budgets will be $6,200,000.

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

Agenda – Executive Policy Committee – November 9, 2016

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – October 31, 2016

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On October 31, 2016, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Capital Budget Amendment and First Charge – Lyndale Drive Retaining Wall Rehabilitation

Critical Path: Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – Executive Policy Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Neirinck, P.Eng.	L.P. Deane, P. Eng.	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

The recommended alternative for the Lyndale Drive Retaining Wall Project involves removal of the existing retaining wall and undertaking over 500 lineal metres of riverbank stabilization work. The work is necessary now as the budget requirement would rise significantly if the riverbank failed ahead of undertaking the stabilization work (as a portion of it did in 2013). In addition, Lyndale Drive is a primary dyke for flood protection, which elevates the importance of this riverbank restoration.

This report recommends a first charge on the 2017 capital budget for the Lyndale Drive Retaining Wall Rehabilitation Project to avoid delays to the project timeline. This will ensure timely construction takes place before further slope movement takes place, which would increase total project costs substantially.

Bid Opportunity 721-2016 – Lyndale Drive – Monck Avenue to Gauvin Avenue – Riverbank Stabilization and Associated Works, closed on Friday, October 21, 2016. The evaluated bids confirm that a total budget of $6,200,000 including previous budget amounts of $1,200,000 and $5,000,000 that was previously forecasted for 2017 in the 2016 Capital Budget is sufficient to undertake and complete the work.

RECOMMENDATIONS

1. That expenditures of up to $5,000,000 be authorized in 2016 or prior to the adoption of the 2017 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 Lyndale Drive Retaining Wall Rehabilitation project. The 2017 Capital Budget first charge is $5,000,000 from the Lyndale Drive - Retaining Wall Rehabilitation Project. The total Capital Budget requirement for the Project including the first charge and previous budgets will be $6,200,000.

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

REASON FOR THE REPORT

Council approval is required to make a first charge for an expenditure of capital funds prior to the adoption of the 2017 capital budget.

IMPLICATIONS OF THE RECOMMENDATIONS

The authorization requires a first charge on the 2017 Annual Program Capital Budgets to allow the award of contracts prior to the adoption of the 2017 Capital Budget, in accordance with Subsection 288(2) of the City of Winnipeg Charter.

HISTORY / DISCUSSION

On March 22, 2016 Council adopted the 2016 Capital Budget which included a previous budget amount of $700,000, current budget amount of $500,000 (2016), and a forecasted amount of $5,000,000 (2017) for the Lyndale Drive Retaining Wall Rehabilitation, for a total projected budget of $6,200,000 as shown in Table 1.

Table 1

2015 Capital Budget	$700,000	Lyndale Drive Project – Preliminary Design & Public Consultation
2016 Capital Budget	$500,000	Lyndale Drive Project – Detailed Design
2017 Capital Budget	$5,000,000	First Charge Request on Lyndale Drive Project
Total:	**$6,200,000**	

The Lyndale Drive Retaining Wall Rehabilitation project includes a significant amount of riverbank stabilization work, which has a lower risk if constructed in the winter months during low river water levels. In order to provide a reasonable construction schedule and allow the work to be completed in the winter of 2016-17, it will be necessary to award a construction contract in the fall of 2016. As such, a first charge on the 2017 capital budget is recommended. Performance of this riverbank stabilization work must be done as soon as possible. If the riverbank were to experience further slope movements, the costs to stabilize the riverbank increases substantially, in addition to potential disruption to the Lyndale Drive roadway and associated utilities.

FINANCIAL IMPACT

Financial Impact Statement

Date: October 24, 2016

Project Name: **First Year of Program** **2016**

CAPITAL BUDGET AMENDMENT AND FIRST CHARGE – LYNDALE DRIVE RETAINING WALL REHABILITATION

	2016	2017	2018	2019	2020
Capital					
Capital Expenditures Required	$ 5,000,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 5,000,000	$ -	$ -	$ -	$ -
Funding Sources:					
Frontage Levy	$ 3,500,000	$ -	$ -	$ -	$ -
Provincial Funding for Road Improvements	$ 1,500,000	-	-	-	-
Grants	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other	-	-	-	-	-
Total Funding	$ 5,000,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 5,000,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	282,500	-	-	-	-
Net Cost/(Benefit)	$ (282,500)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (282,500)	$ -	$ -	$ -	$ -

Additional Comments: A First Charge of $5,000,000 on the Lyndale Drive - Retaining Wall Rehabilitation project is requested. The 2017 forecast of the 2016 Adopted Capital Budget includes $5,000,000 for the Lyndale Drive Retaining Wall Rehabilitation project. The Incremental Revenue/Recovery represents the Department Engineering Administration and Corporate Interest and Administrative Overheads.

"Original signed by J. Ruby, CPA, CA"
J. Ruby, CPA, CA
Manager of Finance & Administration

CONSULTATION

In preparing this Report there was consultation with:

Legal Services Department (as to Legal issues).

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department: Public Works
Division: Engineering
Prepared by: Cameron Ward, P. Eng., Bridge Projects Engineer
Date: October 24, 2016