Agenda – Executive Policy Committee – July 5, 2017

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – June 27, 2017

Item No. 2 Request for First Charge against the 2018 Capital Budget for Waterway Crossings and Grade Separations Projects, and Local and Regional Street Renewal Projects

STANDING COMMITTEE RECOMMENDATION:

On June 27, 2017, 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 expenditures of up to $3,500,000 be authorized in 2017 or prior to the adoption of the 2018 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 2018 Waterway Crossing and Grade Separations and Local and Regional Street Renewal projects. The 2018 Capital Budget first charge is $2,000,000 from the Waterway Crossings and Grade Separations - Annual Program, and $1,500,000 from the Regional and Local Street Renewal Program.

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 – July 5, 2017

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – June 27, 2017

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On June 27, 2017, 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 2018 Capital Budget for Waterway Crossings and Grade Separations Projects, and Local and Regional Street Renewal Projects

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

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Neirinck, P. Eng.	J. Berezowsky Acting	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

An urgent culvert replacement on Rue des Trappistes at Westendorf Coulee is required to commence by November 2017 as this work must occur during the winter. A first charge on the 2018 Waterway Crossings and Grade Separations – Annual Program in the amount of $2,000,000 is required to award a construction contract. In addition, Rue des Trappistes, from Pembina Highway to the culvert, has been identified as a local street for renewal in 2018. A first charge on the 2018 Regional and Local Street Renewal Program in the amount of $1,500,000 is required so that one construction contract can be awarded this fall for the street and culvert works.

RECOMMENDATIONS

1. That expenditures of up to $3,500,000 be authorized in 2017 or prior to the adoption of the 2018 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 2018 Waterway Crossing and Grade Separations and Local and Regional Street Renewal projects. The 2018 Capital Budget first charge is $2,000,000 from the Waterway Crossings and Grade Separations - Annual Program, and $1,500,000 from the Regional and Local Street Renewal Program.

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 for a first charge for an expenditure of Capital funds prior to the adoption of the 2018 Capital Budget.

IMPLICATIONS OF THE RECOMMENDATIONS

The recommendation, if approved, will allow a first charge on the 2018 Capital Budget to permit the award of contracts prior to the adoption of the 2018 Capital Budget.

HISTORY/DISCUSSION

On December 13, 2016, Council adopted the 2017 Capital Budget which included a current budget amount of $3,000,000 (2017) and a forecasted amount of $3,000,000 (2018) for the Waterway Crossings and Grade Separations – Annual Program.

On December 13, 2016, Council adopted the 2017 Capital Budget which included the current budget amount of $105,180,000 (2017) and a forecasted amount of $106,282,000 (2018) for the Regional and Local Street Renewal Program.

The replacement of the Rue Des Trappistes culvert is urgent as it is already partially collapsed, and large sinkholes in the roadway above it have developed recently.

The commencement of construction in November 2017 is necessary to ensure in-stream work is completed in frozen conditions, prior to spring thaw in 2018, and the in-stream work ban implemented by Manitoba Sustainable Development (formerly Manitoba Conservation and Water Stewardship) (April 01 to June 30 in any year). This will ensure timely construction takes place, and work isn't delayed until summer months, which will increase project costs significantly.

Table 1 includes the summary of the project budgets and first charge requirements on the 2018 Capital Budget.

Table 1 - Summary of Projects Requiring First Charge Funding on 2018 Capital Budget

Project	Scope	Project Budget	Previously Approved	First Charge on the 2018 Budget
Waterway Crossings and Grade Separations - Annual Program: • Rue Des Trappistes	Culvert Replacement	$2,300,000	$300,000	$2,000,000
Regional and Local Street Renewal Program: • Rue Des Trappistes	Roadway Reconstruction	$1,600,000	$100,000	$1,500,000
		$3,900,000	**$400,000**	**$3,500,000**

FINANCIAL IMPACT

Financial Impact Statement

Date: May 17, 2017

Project Name: **First Year of Program** **2017**

Request for First Charge Against the 2018 Capital Budget for Waterway Crossings and Grade Separations Projects, and Local and Regional Street Renewal Projects

	2017	2018	2019	2020	2021
Capital					
Capital Expenditures Required	$ 3,500,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ 3,500,000	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Frontage Levy	-	-	-	-	-
Cash to Capital	3,500,000	-	-	-	-
Other	-	-	-	-	-
Total Funding	$ 3,500,000	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ 3,500,000				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	200,395	-	-	-	-
Net Cost/(Benefit)	$ (200,395)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ (200,395)	$ -	$ -	$ -	$ -

Additional Comments: A first charge of $2,000,000 on the 2018 Waterway Crossing and Grade Separations, and $1,500,000 on the Regional and Local Street Renewal Program is requested. The 2018 Forecast of the 2017 Adopted Capital Budget includes $3,000,000 for the Waterway Crossing and Grade Separations, and $106,282,000 for the Regional and Local Street Renewal Program. The funding sources are included in the 2017 Adopted Capital Budget. 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

This Report has been prepared in consultation with: Legal Services Department

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department: Public Works
Division: Engineering
Prepared by: Damir Muhurdarevic, P. Eng., Bridge Projects Engineer
Date: May 11, 2017