Minutes – Executive Policy Committee – September 20, 2017

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – September 11, 2017

Item No. 1 Request for First Charge against the 2018 Capital Budget for Water and Waste Department Capital

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment and submitted the following to Council:

1. That expenditures of up to $500,000 be authorized in 2017 or prior to the adoption of the 2018 Capital Budget, as a first charge against the Waterworks System Fund, in accordance with Subsection 288(2) of The City of Winnipeg Charter, to allow for an award of contract for the Branch 1 Aqueduct at Seine River – Riverbank Stabilization (East Side) project.

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

Report – Standing Policy Committee on Water and Waste, Riverbank Management and the Environment – September 11, 2017

DECISION MAKING HISTORY:

Moved by Councillor Mayes,

That the recommendation of the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment be concurred in and forwarded to Council.

Carried

STANDING COMMITTEE RECOMMENDATION:

On September 11, 2017, the Standing Policy Committee on Water and Waste, Riverbank Management and the Environment concurred in the recommendation of the East Kildonan-Transcona Community Committee and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: **REQUEST FOR FIRST CHARGE AGAINST THE 2018 CAPITAL BUDGET FOR WATER AND WASTE DEPARTMENT CAPITAL**

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

AUTHORIZATION

Author	Department Head	CFO	CAO
G. K. Patton, P. Eng., Manager of Engineering Services	M. L. Geer, CPA,CA Director, Water and Waste Department	M. Ruta	D. Wardrop A/CAO

EXECUTIVE SUMMARY

The Branch 1 Aqueduct supplies approximately 40% of the daily treated water to the residents of Winnipeg. A portion of the Branch 1 Aqueduct is located under the riverbank of the Seine River. Undesirable movement has been detected on the east side of the riverbank which could compromise the integrity of the Branch 1 Aqueduct.

Additional funding has been added to the 2018 Capital Budget submission based on an updated construction estimate for the stabilization of the riverbank of the Seine River at the Branch 1 Aqueduct. Council approval is required before the adoption of the 2018 Capital Budget in order to procure a contract in a timely manner.

RECOMMENDATIONS

1. That expenditures of up to $500,000 be authorized in 2017 or prior to the adoption of the 2018 Capital Budget, as a first charge against the Waterworks System Fund, in accordance with Subsection 288(2) of The City of Winnipeg Charter, to allow for an award of contract for the Branch 1 Aqueduct at Seine River – Riverbank Stabilization (East Side) project.

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.

Funds in the amount of $2,400,000 are included in approved 2016 and 2017 Capital Budgets for the Branch 1 Aqueduct at Seine River – Riverbank Stabilization (East Side) project, Account Distribution No. 443 181000 200751 20030009YY.

Funds in the amount of $500,000 are included in the 2018 Capital Budget submission for the Branch 1 Aqueduct at Seine River – Riverbank Stabilization (East Side) project, Account Distribution No. 443 181000 200751 2003000918.

HISTORY / DISCUSSION

The Branch 1 Aqueduct supplies approximately 40% of the daily treated water to the residents of Winnipeg. A portion of the Branch 1 Aqueduct is located under the riverbank of the Seine River. Recent monitoring data indicates undesirable movement within the east riverbank. The movements could compromise the integrity of the Branch 1 Aqueduct, potentially resulting in a major leak. A major leak could initiate a massive failure of the riverbank and limit the ability to distribute water to the residents of Winnipeg. The Branch 1 Aqueduct at Seine River – Riverbank Stabilization (East Side) project will stabilize the riverbank so that the Branch 1 Aqueduct can continue to operate as intended.

Additional funding has been added to the 2018 Capital Budget submission based on an updated construction estimate for the stabilization of the riverbank at the Branch 1 Aqueduct. Council approval for advanced funding for the Branch 1 Aqueduct at Seine River – Riverbank Stabilization (East Side) project is required in order to award a contract by the fourth quarter of 2017 as construction work can only occur when the river is frozen. Failure to award the contract by this timeframe will delay the project by a full year and result in increased risk to the Branch 1 Aqueduct.

Upon approval of a first charge against the 2018 Capital Budget for this project, the Department will proceed with the standard procurement process as per the Materials Management Policy and Standard FM-002.

FINANCIAL IMPACT

Financial Impact Statement **Date:** August 2, 2017

Project Name:

REQUEST FOR FIRST CHARGE AGAINST THE 2018 CAPITAL BUDGET FOR WATER AND WASTE DEPARTMENT CAPITAL PROJECT

COMMENTS:

There is no financial impact for this report. The Department is only requesting authorization for 2018 funds in order to proceed with procurement of a contract for construction works for this project. An Award Report to the appropriate award authority for this project would follow subject to Council approval of the First Charge.

"Original signed by L. Szkwarek, CPA, CGA"

js
24-Jul-17

Lucy Szkwarek, CPA, CGA
Manager of Finance and Administration

CONSULTATION

In preparing this report there was consultation with:

Legal Services

OURWINNIPEG POLICY ALIGNMENT

OurWinnipeg Reference: Environment

SUBMITTED BY

Department: Water and Waste
Division: Engineering
Prepared by: Jessica McCombe, P. Eng.
Date: August 4, 2017
File No.: W-664