Minutes – Executive Policy Committee – October 11, 2017

REPORTS

Item No. 7 Deacon Water Treatment Plant Deficiencies Review

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee recommended to Council that the Chief Administrative Officer be directed to:

1. Produce a report for Council that provides a detailed chronology of events including administrative actions and inactions that ultimately resulted in a failure to meet key deadlines to pursue cost recovery through the courts for construction deficiencies at the Deacon Water treatment plant;

2. Request the City's Internal Auditor conduct a review of the City's Legal Services Department including an examination of the current systems and processes for pursuing legal action against contractors and develop recommendations to ensure that critical deadlines are not missed in the future;

3. Retain outside legal counsel to examine the court proceedings related to the construction deficiencies at the Deacon Water treatment plant and review the possibility of recovering a portion of the damages through the Law Society of Manitoba Professional Liability Claims Fund or any other means;

4. Review the City's current policy of self-insuring its lawyers versus other professional liability insurance mechanisms to ensure protection of taxpayers.

5. Report back to the appropriate committees within 120 days.

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DECISION MAKING HISTORY:

Moved by Councillor Pagtakhan,

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than 96 hours preceding the committee meeting, be considered by Committee.

Carried

Moved by Councillor Gillingham,

WHEREAS the Winnipeg public service has reported missing a deadline to initiate a claim in the Court of Queen's Bench to recover damages related to construction deficiencies at the Deacon Water Treatment plant;

And WHEREAS this claim has been discontinued in the Court of Queen's Bench;

AND WHEREAS the repair costs for these deficiencies are estimated to cost in the range of $6M to $20M;

AND WHEREAS this incident has raised significant concerns from the citizens of Winnipeg and members of Council regarding the City's internal processes and accountability measures;

AND WHEREAS there have been previous motions tabled on this matter by Councillors Gillingham, Wyatt and Lukes that have requested the public service provide detailed information on the chronology of events that led to this matter, and for the public service to investigate other options to recover funds through the courts from the contractors that are responsible for these construction deficiencies;

THEREFORE BE IT RESOLVED THAT the Chief Administrative Officer be directed to:

1. Produce a report for Council that provides a detailed chronology of events including administrative actions and inactions that ultimately resulted in a failure to meet key deadlines to pursue cost recovery through the courts for construction deficiencies at the Deacon Water treatment plant;

2. Request the City's Internal Auditor conduct a review of the City's Legal Services Department including an examination of the current systems and processes for pursuing legal action against contractors and develop recommendations to ensure that critical deadlines are not missed in the future;

DECISION MAKING HISTORY (continued):

3. Retain outside legal counsel to examine the court proceedings related to the construction deficiencies at the Deacon Water treatment plant and review the possibility of recovering a portion of the damages through the Law Society of Manitoba Professional Liability Claims Fund or any other means;

4. Review the City's current policy of self-insuring its lawyers versus other professional liability insurance mechanisms to ensure protection of taxpayers.

5. Report back to the appropriate committees within 120 days.

Carried