Minutes – Executive Policy Committee – March 14, 2018

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – February 27, 2018

Item No. 2 Delegation of Authority to Award Seven Public Works – General Capital Fund Contracts Exceeding $5,000,000 Including Multi-Year Contracts and PTIF Funded Contracts

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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 Standing Policy Committee on Infrastructure Renewal and Public Works commit to meeting on short notice, and to hold Special Meetings as required, to ensure the capital program proceeds in expeditious fashion and to work with the Department to approve the projects as necessary.

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

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – February 27, 2018

DECISION MAKING HISTORY:

Moved by Councillor Morantz,

That the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works be concurred in, and forwarded to Council:

Carried

Councillors Gillingham and Pagtakhan asked to be recorded as having voted against the above motion, in accordance with Rule 47(7) of The Procedure By-law No. 50/2007.

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On March 7, 2018, the Executive Policy Committee laid over the matter to its meeting on March 14, 2018.

STANDING COMMITTEE RECOMMENDATION:

On February 27, 2018, the Standing Policy Committee on Infrastructure Renewal and Public Works did not concur in the recommendation of the Winnipeg Public Service, and recommended:

1. That the Standing Policy Committee on Infrastructure Renewal and Public Works commit to meeting on short notice, and to hold Special Meetings as required, to ensure the capital program proceeds in expeditious fashion and to work with the Department to approve the projects as necessary.

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

and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Delegation of Authority to Award Seven Public Works – General Capital Fund Contracts Exceeding $5,000,000 Including Multi-Year Contracts and PTIF Funded Contracts
MM Ref #1124-2017

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 Director of Public Works	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

The Public Works Department is recommending that the Chief Administrative Officer be delegated the authority to award construction contracts exceeding $5,000,000 including contract over-expenditures for the following seven projects:

1. Downtown Bike Lane System and Street Improvements; Garry Street Pavement Rehabilitation and Reconstruction – Assiniboine Avenue to Notre Dame Avenue, Notre Dame Avenue Pavement Reconstruction – Portage Avenue to Princess Street and Princess Street Mill and Fill – Donald Street to William Avenue.
2. Chevrier Boulevard – Pembina Highway to Waverley Street & Waverley Pathway Connection.
3. Fermor Avenue Bridge (Seine River) and Fermor Avenue – St. Anne's Road to Archibald Street.
4. Chief Peguis Greenway Extension – Henderson Highway to Main Street.
5. Empress Street/Empress Street East/Westway/Eastway – St. Matthews Avenue to Portage Avenue for Bridge Rehabilitations, Pavement Rehabilitations, Pavement Reconstructions and Riverbank Stabilization.
6. McGregor Street – Selkirk Avenue to Mountain Avenue
7. McPhillips Street – Logan Avenue to Jarvis Avenue

Appendix A provides additional project information including budget information, maximum requested delegation authority, and whether the contract is a multi-year contract or whether it involves funding from the Public Transit Infrastructure Fund (PTIF).

All identified multi-year projects already have first charge approval from Council where applicable. PTIF funding projected must have invoicing completed by March 31, 2020.

Award of a contract by a standing committee of Council can take four to eight weeks depending on the bid opportunity submission deadline date relative to committee meetings. Approval of a

contract award report by the Chief Administrative Officer can be accomplished in approximately three weeks from the bid submission deadline date. In addition, the Canada–European Union Comprehensive Economic and Trade Agreement (CETA) that recently came into effect requires construction contracts greater than $8,500,000 be advertised for 30 Calendar Days where previously we advertised for as little as 14 Calendar Days. The foregoing constraints would dramatically affect the ability to deliver the work.

RECOMMENDATIONS

1. That authority be delegated to the Chief Administrative Officer to award and that the City enter into, execute and deliver seven competitively tendered construction contracts exceeding $5,000,000 as identified in Appendix A and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements") to the maximum amounts shown therein provided they are within the Council Approved Budgets.

2. That authority be delegated to the Chief Administrative Officer to negotiate and approve the terms and conditions of the contracts set out in Recommendation 1 and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interests of the City.

3. That authority be delegated to the Chief Administrative Officer to approve contract over-expenditures for the contracts set out in Recommendation 1, provided that expenditure do not exceed the delegated amounts identified in Recommendation 1 (Appendix A) and they are within Council Approved Budgets.

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

REASON FOR THE REPORT

Council has the authority to delegate additional authority to the Chief Administrative Officer in accordance with The City of Winnipeg Charter.

IMPLICATIONS OF THE RECOMMENDATIONS

The purpose of Recommendations 1 and 2 is to expedite the award process for construction contracts expected to exceed $5,000,000 as well as authority to approve over-expenditures to the same limits.

HISTORY/DISCUSSION

2017/2018/2019 Regional Street Renewal Program – Downtown Bike Lane System and Street Improvement; Garry Street Pavement Rehabilitation and Reconstruction – Assiniboine Avenue to Notre Dame Avenue, Notre Dame Avenue Pavement Reconstruction – Portage Avenue to Princess Street and Princess Street Mill and Fill – Donald Street to William Avenue

- The 2017 Capital Budget adopted by Council on December 13, 2016 included funding for the 2017 Regional and Local Street Renewal Program in the amount of $105,180,000, with $300,000 for Princess Street Mill and Fill – Donald to William, and $2,900,000 for Garry/Notre Dame – Notre Dame to Assiniboine/Portage to Princess.
- The 2018 Capital Budget adopted by Council on December 12, 2017 includes funding for the 2018 Regional and Local Street Renewal Program in the amount of $116,000,000 with $9,100,000 for Garry/Notre Dame – Notre Dame to Assiniboine/Portage to Princess.
- With adoption of the 2018 Capital Budget a first charge on the 2019 Capital Budget of $4,800,000 was approved to facilitate work on this Project.
- Advertising of the construction contract for the project is expected to occur in February 2018 for a period of 30 Calendar Days. Project construction is scheduled to commence in May 2018 with completion in October 2019.

2017 Local Street Renewal Program – Chevrier Boulevard and Waverley Pathway Connection

- On September 27, 2017, Council approved new 2017 Capital projects and funding implications for future years including Chevrier Boulevard and Waverley Pathway Connection. In addition, Council approved entering into an agreement with the Province of Manitoba (as program administrator) and the Government of Canada to fund these projects through the Provincial Transit Infrastructure Fund (PTIF).
- The City will enter into an agreement with the Province of Manitoba and the Government of Canada for PTIF funding in which 50% of the eligible costs to a maximum of $3,500,000 for Chevrier Boulevard and Waverley Pathway Connection project costs can be recovered.
- The 2017 Capital Budget amended by Council on September 27, 2017, included interim financing of $4,000,000 for the City's share of the Chevrier Boulevard and Waverley Pathway Connection project.
- Advertising of the construction contract for the project is expected to occur in February 2018 for a period of 14 calendar days. Project construction is scheduled to commence in May 2018 with completion in September 2018.

Fermor Avenue Bridge (Seine River) and 2018/2019 Regional Street Renewal Program – Fermor Avenue – St. Anne's Road to Archibald Street Roadwork

- On March 22, 2016, the 2016 Capital Budget was adopted by Council and included $1,000,000 for preliminary design in 2016 for the Fermor Avenue Bridge (Seine River).

- On December 13, 2016, the 2017 Capital Budget was adopted by Council and included $1,200,000 for detailed design and property acquisition in 2017 for the Fermor Avenue Bridge (Seine River).

- The 2018 Capital Budget adopted by Council on December 12, 2017 includes funding for the Fermor Avenue Bridge (Seine River) project in the amount of $4,100,000. The 2018 Capital Budget also includes funding in the amount of $6,000,000 from the Regional Street Renewal Program for Fermor Avenue roadworks.

- With adoption of the 2018 Capital Budget, a first charge on the 2019 Capital Budget of $5,100,000 under the Fermor Avenue Bridge (Seine River) and $7,600,000 under the Regional Street Renewal Program was approved to facilitate work on this Project.
- Advertising of the construction contract for the project is expected to occur in early February 2018 for a period of 30 Calendar Days. Project construction is scheduled to commence in April 2018 with completion in October 2019.

Chief Peguis Greenway Extension – Henderson Highway to Main Street

- On September 27, 2017, Council approved new 2017 Capital projects and funding implications for future years including Chief Peguis Greenway Extension. In addition, Council approved entering into an agreement with the Province of Manitoba (as program administrator) and the Government of Canada to fund these projects through the Provincial Transit Infrastructure Fund (PTIF).
- The City will enter into an agreement with the Province of Manitoba and the Government of Canada for PTIF funding in which 50% of the eligible costs to a maximum of $3,350,000 for the Chief Peguis Greenway Extension project costs may be recovered.
- The 2017 Capital Budget amended by Council on September 27, 2017, included interim financing of $3,850,000 for the City's share of the Chief Peguis Greenway Extension project.
- Advertising of the construction contract for the project is expected to occur in February 2018 for a period of 14 calendar days. Project construction is scheduled to commence in April 2018 with completion in November 2018.

2017/2018 Regional Street Renewal Program –Empress Street/Empress Street East/Westway/Eastway – St. Matthews Avenue to Portage Avenue

- The 2017 Capital Budget adopted by Council on December 13, 2016 included funding for the 2017 Regional and Local Street Renewal Program in the amount of $105,180,000, with $6,000,000 for Empress Street/Empress Street East/Westway/Eastway – St. Matthews Avenue to Portage Avenue.
- The 2018 Capital Budget adopted by Council on December 12, 2017 includes funding for the 2018 Regional and Local Street Renewal Program in the amount of $116,000,000 with $11,400,000 for Empress Street/Empress Street East/Westway/Eastway – St. Matthews Avenue to Portage Avenue.
- With adoption of the 2018 Capital Budget a first charge on the 2019 Capital Budget of $2,500,000 was approved to facilitate work on this Project.
- There will be two construction contracts for this project. The first contract, not anticipated to exceed $5,000,000, is for street pavement rehabilitations. Advertising of the second construction contract that includes river bank stabilization, street pavement reconstructions and bridge rehabilitation is anticipated to exceed $5,000,000 and is expected to be advertised in September 2018 for a period of 30 Calendar Days. The second construction contract has to commence in December 2018 to complete the river bank stabilization, which can only occur during the winter. If it does not commence December 2018 the project will be delayed a full year.

2018 Regional Street Renewal Program –McGregor Street – Selkirk Avenue to Mountain Avenue

- The 2018 Capital Budget adopted by Council on December 12, 2017 includes funding for the 2018 Regional and Local Street Renewal Program in the amount of $116,000,000 with $7,600,000 for McGregor Street – Selkirk Avenue to Mountain Avenue.
- Advertising of the construction contract for this project is expected to occur in April of 2018 for a period of 14 calendar days. Project construction is scheduled to commence in April 2018 with completion in October 2018.

2018 Regional Street Renewal Program –McPhillips Street – Logan Avenue to Jarvis Avenue

- The 2018 Capital Budget adopted by Council on December 12, 2017 includes funding for the 2018 Regional and Local Street Renewal Program in the amount of $116,000,000 with $6,600,000 for McPhillips Street – Logan Avenue to Jarvis Avenue.
- Advertising of the construction contract for this project is expected to occur in March of 2018 for a period of 14 calendar days. Project construction is scheduled to commence in May 2018 with completion in November 2018.

It is critical that construction contracts be awarded in a timely manner in 2018 so that the full construction season can be utilized for the 2018 stage of construction. Award of a contract by a standing committee of Council can take four to eight weeks depending on the bid opportunity submission deadline date relative to committee meetings. In order to award a construction contract in a timely manner, delegation of authority to the Chief Administrative Officer to award contracts exceeding $5,000,000 is recommended.

FINANCIAL IMPACT

Financial Impact Statement

Date: February 7, 2018

Project Name:

Delegation of Authority to Award Seven Public Works – General Capital Fund Contracts Exceeding $5,000,000 Including Multi-Year Contracts and PTIF Funded Contracts
MM Ref #1124-2017

COMMENTS:

There is no financial impact associated with the recommendations of this report. All capital budgets and first calls on the 2019 Capital Budget have been previously approved by Council. Approval of this report will expedite the award and administration of contracts.

"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 as to legal issues

OURWINNIPEG POLICY ALIGNMENT

N/A

SUBMITTED BY

Department:	Public Works
Division:	Engineering
Prepared by:	C. Titchkosky, C.E.T., Project Manager
	A. Condon, P. Eng., Streets Projects Engineer
	R. Cunningham, P. Eng., Streets Projects Engineer
	M. Hildebrand, P. Eng., Street Projects Engineer
	J. Doerksen, C.E.T., Streets Project Coordinator
Date:	February 6, 2018
File No:	17-B-02, 18-RI-02, 16-G-02, 18-E-01 (A), 17-C-03, 18-C-04, 18-C-02

Attachments: Appendix A – Project Summary Table

Appendix A – Project Summary Table

Project	Project Budget (All Years)	Multi-Year Contract	Previously Approved First Charge on 2019 Capital Budget	Maximum Requested Delegation of Authority
Downtown Bike Lane System and Street Improvements; Garry Street Pavement Rehabilitation and Reconstruction – Assiniboine Avenue to Notre Dame Avenue, Notre Dame Avenue Pavement Reconstruction – Portage Avenue to Princess Street and Princess Street Mill and Fill – Donald Street to William Avenue	$17,100,000	Yes	$4,800,000	$14,500,000
Chevrier Boulevard – Pembina Highway to Waverley Street & Waverley Pathway Connection	$7,500,000 (includes PTIF funding)	No	No	$6,500,000
Fermor Avenue Bridge (Seine River) and Fermor Avenue – St. Anne's Road to Archibald Street	$25,000,000	Yes	$12,700,000	$19,500,000
Chief Peguis Greenway Extension – Henderson Highway to Main Street	$7,200,000 (includes PTIF funding)	No	No	$6,500,000
Empress Street/Empress Street East/Westway/Eastway – St. Matthews Avenue to Portage Avenue for Bridge Rehabilitations, Pavement Rehabilitations, Pavement Reconstructions and Riverbank Stabilization	$19,900,000	Yes	$2,500,000	$15,500,000
McGregor Street – Selkirk Avenue to Mountain Avenue	$7,600,000	No	No	$6,500,000
McPhillips Street – Logan Avenue to Jarvis Avenue	$6,600,000	No	No	$6,000,000