Winnipeg
Audit Department
Service de vérification

Audit of the William R. Clement Parkway / Sterling Lyon Parkway Extension Project

May 2018

Leaders in building public trust in civic government

Table of Contents

AUDIT AT A GLANCE 3
AUDIT BACKGROUND 4
AUDIT OBJECTIVES 5
SCOPE LIMITATION 5
CONCLUSIONS 6
INDEPENDENCE 8
ACKNOWLEDGEMENT 8
OVERVIEW OF CORPORATE PROCESSES 9
WILLIAM R. CLEMENT PARKWAY / STERLING LYON PARKWAY BACKGROUND 15
WILLIAM R. CLEMENT PARKWAY / STERLING LYON PARKWAY STUDY CHRONOLOGY 19
WILLIAM R. CLEMENT PARKWAY / STERLING LYON PARKWAY STUDY EVALUATION 28
APPENDIX 1 – Audit Methodology 60
APPENDIX 2 – Audit Process 62
APPENDIX 3 – Risk Assessment Worksheet 63
APPENDIX 4 – Wilkes South Secondary Plan By-law 64
APPENDIX 5 – Plan Winnipeg 20/20 Vision Transportation Policy Map 66
APPENDIX 6 – Transportation Master Plan (Strategic Road Map) 67
APPENDIX 7 – WRCP Capital Project Detail Sheet 68
APPENDIX 8 – WRCP Extension Budget Amendment Request 69
APPENDIX 9 – Comparison of Sterling Lyon Parkway Route Options 71
APPENDIX 10 – Administrative Reporting Jurisdictional Analysis 72
APPENDIX 11 - Summary of Recommendations 74

AUDIT AT A GLANCE

RECOMMENDATIONS

We recommended *that the Chief Administrative Officer:*

- *Develop and publish a map of the capital planning process.*
- *Ensure major infrastructure elements in secondary plans are included in City master plans.*
- *Create a process to submit proposed roadway alignments to Council when they have not been adopted in secondary plans.*
- *Include minimum qualitative disclosures in any capital budget requests for major capital projects.*
- *Develop courses that provide guidance and training for report writers on identifying material information for reports.*
- *Provide detailed guidance on risks that impact citizens that should be included in briefing notes.*
- *Develop guidance on when public engagement should be undertaken, and a minimum set of communications and activities that should occur for capital projects.*
- *Develop formal processes for incorporating public feedback into decision making processes.*
- *Develop requirement to communicate to the public how feedback was obtained and used in decision making processes.*
- *Formalize, document and communicate the roles and responsibilities of Corporate Communications and the Office of Public Engagement.*
- *Define the formal approval processes for public engagement materials.*
- *Develop a process to avoid the use of technical terminology in public engagement materials.*
- *Develop criteria to determine when a neutral facilitator is appropriate for public engagement activities.*
- *Develop guidance on the timing for when an Environmental Assessment Proposal should be completed and submitted for a project.*

Project Background

On January 25, 2018, Council approved a motion directing the City Auditor conduct an audit of the effectiveness of the current systems and processes in place to support City staff and Council for identifying and communicating relevant and material information to decision makers through the City of Winnipeg report process. The motion also directed the City Auditor to conduct a detailed review of the Sterling Lyon / William Clement Parkway study, with a particular focus on the accountability of various parties, to develop a chronological timeline of key milestones and communications, to audit associated capital expenditures, and to audit the scope and execution of work performed by consultants.

The project was added to the Audit Plan January 2018 Update, which was approved by Audit Committee on February 13, 2018 and adopted by Council on February 22, 2018. On April 26, 2018 Council granted an extension to report back by June 13, 2018.

Findings

The WRCP / SLP Project followed the City's capital planning process and received the approvals established in that process up to the point where the project was put on hold in December 2017. In developing the chronological timeline and identifying key milestones and communications related to the project, miscommunication in various areas throughout this project emerged as a consistent theme.

The capital planning process should be clearly described and communicated to City staff, elected officials and the public. The process has not been commonly defined, mapped, or widely communicated, and this created a situation where both members of the public and the Public Service were unaware that the intent to replace Wilkes with Sterling Lyon Parkway had been included in the secondary plan for the area. Uncertainty in processes can cause a number of ramifications including damaging public trust.

To ensure relevant and material information is effectively and clearly communicated to Council and the public, a sufficient description of any material changes to a project scope should be highlighted in the capital project detail sheets and any administrative reports. The reports for this project did not sufficiently describe the material changes to the project scope. Internal communications through a briefing note should ensure risks in a project are clearly communicated and highlighted. Critical information related to changes from what had been previously presented to the public resulting in material impacts to a new group of citizens should have been highlighted to ensure decision makers are clearly aware of all critical information.

Public engagement was identified as a component of this project. Throughout this project there were numerous communications with the public through various forms of media and events. Documenting and clearly defining all aspects of a public engagement program is critical to ensure that both staff and the public are aware of the process, where the public have their opportunity to provide input and how public input will be incorporated. Ensuring all the roles and responsibilities within the public engagement process are clearly defined and communicated will help achieve a consistent understanding.

Capital expenditures for the project were properly authorized, approved, within budget, and followed established City processes as of May 4, 2018. WSP met the required terms and deliverables for the project as agreed to until the point that the project was put on hold.

AUDIT BACKGROUND

The intent of this audit is to evaluate effectiveness of the current systems and processes to communicate information to decision makers, assess the scope and execution of work performed and to document a chronological summary of key events, in conjunction with who approved and was informed of those decisions.

- On January 25, 2018 Council approved a motion directing the City Auditor conduct an audit by May 1, 2018 of:
  - The effectiveness of the current systems and processes in place to support City staff and Council for identifying and communicating relevant and material information to decision makers through the City of Winnipeg report process; giving specific attention to the adherence of such current systems and processes by individuals in relation to the Sterling Lyon / William Clement Parkway study, with a particular focus on the accountability of elected and non-elected City officials that were either directly or indirectly involved in this study from its inception to the present time.
  - The file on the William R. Clement Parkway and the surrounding study area also referred to as the “Extension of the Sterling Lyon Parkway”, ”Expansion of Wilkes” or ”East/West Alignment” with a chronological timeline, identifying authorizations and knowledge of and direction for planning and engagement of Public Service members, external consultants and elected officials.
  - The capital expenditures with timeline, authorization of, and size and scope of the William R. Clement Parkway file and study area referred to as the “Extension of the Sterling Lyon Parkway”, ”Expansion of Wilkes” or ”East/West Alignment”.
  - The scope and execution of work performed by WSP/MMM starting November 25th, 2014, until current, focusing on who provided direction to WSP/MMM from the Public Service.
- The project was added to the Audit Plan January 2018 Update which was approved by Audit Committee on February 13, 2018 and adopted by Council on February 22, 2018.
- The City Auditor submitted a report to Audit Committee on April 17, 2018 requesting an extension in time to complete the report. On April 26, 2018 Council concurred and granted an extension to report back by June 13, 2018.
- Our audit methodology is located in **Appendix 1**.
- **Appendix 2** provides a flowchart of the audit process.
- Our risk assessment criteria for each audit area is provided in **Appendix 3**.

AUDIT OBJECTIVES

Three objectives were identified for this audit encompassing City processes, scope of work performed and developing a project chronology.

- The objectives of this audit were to:
  - Evaluate whether the City has appropriate systems, templates, guidance and training in place to support staff in executing these types of projects and for identifying and communicating relevant and material information.
  - Assess the scope and execution of work performed by the consultant and compile the capital expenditures incurred as part of this project to date.
  - Develop a project chronology identifying authorizations and knowledge of key events of the William R. Clement Parkway / Sterling Lyon Parkway Extension project.

SCOPE LIMITATION

Limitations on Audit Conclusions

- Our ability to conclude on authorizations and direction provided for work conducted, and the knowledge of specific facts and events held by individuals, is limited to the evidence we could gather of independent corroboration by multiple individuals, or to documented acknowledgement of authorization, direction and knowledge by the individuals themselves. There were limitations in the information we could obtain for the audit that limited our ability to conclude on authorizations, direction and knowledge held by individuals. These limitations are described below.

Limitations of Email Search

- City mailbox databases are backed up for long term retention once a month and backups retained for one year. The oldest available mailbox database backups were from mid-January 2017 so the search included the contents of all requested mailboxes as of the date of that backup.
- Personal email archives were identified and searched for all individuals requested; however, this does not guarantee that all email correspondence was retained. There is no ability to confirm that the personal archives contained all mail sent/received during that time period. This may be due to human error, incorrect design of the archive, intentional deletion or other factors.
- The system does not log the time/date of when an email or a corresponding attachment is read. The system only logs the time/date of when an email was received in an Outlook Inbox.
- The City's *Records Management* By-law provides guidance on the types of records and how long those records must be kept before they may be destroyed or transferred to the Archives.

Incomplete Interview

- One past City staff member declined to be interviewed as part of this audit process. The City Auditor is currently working to invoke the powers granted under the *Evidence Act*. Once the process is complete and the interview is conducted and any relevant supporting documentation obtained, the City Auditor will assess whether there is relevant new details that merit bringing forward a supplemental report.

Additional comments on project scope are located in **Appendix 1**.

CONCLUSIONS

Opportunities have been identified to include additional guidance in the Project Management Manual to map the capital planning process and to assist staff in public engagement activities. Enhancing information in the major capital project details sheets in combination with increased guidance for report writers and the development of a supporting training module will assist staff to communicate relevant and material information to decision-makers.

- The City has an opportunity to better communicate both within the organization and to the public the capital planning process. This will serve to inform project managers, elected officials and citizens of the overall process and when opportunities for public input occur. The information supporting major capital projects should also be enhanced to provide clear details on scope, risks and benefits to support elected officials basing decisions on that detail and to inform citizens of the City's short to medium term capital plans.
- The Project Management Manual requires additional guidance on an appropriate minimum set of public engagement communications, activities and events that should occur for different types of capital projects. To create a consistent approach to public engagement for these types of projects would also require documenting when and how to incorporate public feedback in the decision making process and outlining for citizens how their input will be included. The use of technical terms in public engagement materials should be limited and supported with clear definitions when appropriate.
- The City should develop guidance to support project management staff on the timing of when an environmental application should be submitted for a project that is in an early planning phase, such as a Functional Design Study. Applications are costly and have a limited lifespan, making the decision of when to submit that much more important.
- The guidance for City report writers should be improved to include evaluation criteria to identify information that should be deemed relevant and material. Other Canadian cities have developed training courses to support staff in their report writing role, the City of Winnipeg does not have any course specifically targeting communicating relevant and material information to decision-makers.

The consultant's deliverable met the requested scope of work and all expenditures were in compliance with City authorities.

- The scope of work performed and reporting provided by WSP met the scope of requirements from the RFP.
- The public engagement process proposed by WSP in their bid submission met the requirements defined by the City. The defined process appeared appropriate for the project. A second open house and third set of surveys and comment sheets were not conducted due to circumstances beyond the consultant's control.
- Capital expenditures for the project, including consulting fees and land purchases, have totaled $1,846,270 up to May 4, 2018. The budget approvals for the project have been $1,600,000 for the design work and $370,000 for land purchases, totaling $1,970,000. Expenditures were found to be properly authorized, approved, within budget, and followed established City processes.

Three chronologies were developed for this report; one identifying key City planning decisions, the second highlighting several key project events and the third identifying individuals who approved or were informed of major project decisions.

- The first chronology highlights the planning efforts undertaken by the City in the project area. The Wilkes South Secondary Plan from 1994 identified a possible route similar to Conceptual Option 2: Sterling Lyon North. The Transportation Master Plan, approved in 2011, included WRCP but was silent on SLP or a widening of Wilkes Avenue. The inclusion of the WRCP study in the 2014 Capital Budget was an initiative of elected officials. The Public Works Department revised both the project budget and scope to reflect a larger study area but did not amend the project name.
- The City provided minimal guidance within the RFP to guide proponents on the expectations for public engagement. Issues surrounding public engagement activities resulted in several change orders and contributed to delays in completing the project. The name used in the public engagement materials focused on WRCP and likely contributed to less attention from residents in the SLP affected area. The identification of the preferred route was known by the Steering Committee and project management team at least as early as May 2016 upon completion of the value engineering sessions. In November 2016, a briefing note was submitted to seek approval from the CAO to move the project forward for public engagement, but the note stated that the functional options for the SLP realignment had already been presented to the public, and that the possible property impacts for all options had been presented. The briefing note did not identify that the recommended road alignment had been altered from the options presented at the first open house and would now impact a different set of property owners.
- Both the CAO and area Councillor were kept informed on the development of public engagement materials throughout the project as well as the revised project close-out plan developed in July 2017. We were not able to obtain any conclusive evidence that either was aware of the refinement of Conceptual Option 2 as the preferred option until October 2017.

A summary of our recommendations is included as **Appendix 11.**

INDEPENDENCE

The Audit Department is classified as an independent external auditor under *Government Auditing Standards* due to statutory safeguards that require the City Auditor to report directly to Council, the City's governing body, through the Audit Committee.

The Audit Department team members selected for the audit have all attested that they do not have any conflict of interest related to the audit's subject matter.

ACKNOWLEDGEMENT

The Audit Department wants to extend its appreciation to the Office of the Chief Administrative Officer, the Public Works Department, representatives from WSP Global Inc. and the many other stakeholders who participated in this audit. We would also like to recognize Deloitte LLP who provided valuable assistance in completing this audit.



Bryan Mansky, CPA, CMA, MBA, CIA
City Auditor

May 2018
Date

OVERVIEW OF CORPORATE PROCESSES

1.1 Capital Planning Process

- The City's capital planning processes are embedded in legislative and administrative guidance. There are several approval checkpoints that capital works pass through before they can be constructed, and most of those checkpoints provide opportunity for public input. The checkpoints include approval of neighbourhood plans, capital budgeting, and in the case of major projects, public engagement sessions. Table 1 shows the capital planning process in broad strokes, and the points where the public has the opportunity to provide feedback on a project. Once a project has been approved for construction in the capital budget, it moves out of the planning phase, and into the delivery phase.

Table 1: Capital Planning Process

Event	Public Input
Secondary Plan (*OurWinnipeg* sub, Master Plan, or Neighbourhood Plan)	✓
Internal Project Selection Process (for submission to capital budget)	
Capital Budget Submission (optional submission for design study)	✓
Technical engineering of preliminary options and selection of preferred option	
Public Engagement Sessions (optional, typically done for major projects)	✓
Environmental Assessment (if required)	✓
Capital Budget Submission (to progress to project construction)	✓

- Council passed the City's Asset Management Policy in January 2015, paving the way for the implementation of the City's Project Management Manual (2015), the creation of the Infrastructure Planning Office (2017), and the release of the City's Capital Asset Management Plan (2018). These items were in development and rollout during the period of the William R. Clement Parkway and Sterling Lyon Parkway preliminary design process.
- We evaluate the capital planning process for the project in Section 3.1 of our report.

1.2 Administrative Reporting Processes

- An administrative report template and instructions are available on the City of Winnipeg's intranet site for employee use. The template provides detailed instructions on how to complete the report sections such as the authorization, executive summary, recommendations, and reason for report with specific examples and questions for guidance.
- Once a department completes an administrative report, it is submitted by email along with an RIS (Report Information System) Submission Form to the CAO's office, where an inbox is designated for administrative reports only.
- The Submission Form is manually entered into the RIS and the administrative report is uploaded by the CAO's staff. The RIS assigns a number to each report and includes information such as description, date, department, committee, and status of report.
- A hard copy of the report is then printed and submitted to senior management (i.e. CAO, CFO and Chief) for review. Once the final review has been completed, changes are made to the report within the RIS and the report is finalized. The finalized report is then sent to the Mayor's Office and added to the appropriate committee agenda. Then, as required, it is sent on to Standing Policy Committee, Executive Policy Committee, and Council for approval.
- We evaluate the key administrative reporting for the project in Section 3.2 of our report.

1.3 Internal Reporting (Briefing Note) Process

- Administrative Standard No. AS-007 and the briefing note template provide guidance for confidential briefing notes, and are available on the City of Winnipeg's intranet site. The detail contained within the template is quite high-level and does not include any specific examples to guide report writers on what information would be considered significant enough to be discussed in briefing notes.
- Briefing notes are prepared by departments and communicated to the CAO's office via email. Briefing notes are reviewed by the CAO and responses to the recommendations are emailed back to the departments.
- We evaluate the briefing note reporting for this project in Section 3.3 of our report.

1.4 Public Engagement

- The City defines public engagement as "a process involving communication and interaction between the City of Winnipeg and its residents that serves to inform and involve the public, and uses public input to make better decisions. The purpose of engaging the public is to achieve decisions that are sensitive and responsive to community values and concerns."[1]
- The City's public engagement processes were evolving over the course of the design study for the project. At the time the design study was tendered, the Office of Public Engagement (OPE) had not yet been created, and each Public Service department handled its own engagement processes according to its own established processes. Typically, public engagement activities would be contracted out to design consultants for the projects; the consultants would develop all public communications and public engagement presentation materials, and would submit the materials to the City's project manager. The project manager would then forward the materials to the Department Director, who would then forward it to the Corporate Communications Division, the CAO's office, and the Mayor's Office for informal review and commentary. Responsibility for final approval of the public engagement materials, however, is delegated to the project manager for the project.
- At the time that the design study for this project was tendered, the Materials Management Division in consultation with the Corporate Communications Division included the requirement for consulting proposals to refer to the guidance of the International Association of Public Participation (IAP2) for public engagement processes. This was intended to provide more direction on the standard that public engagement activities should meet for City projects.
- The OPE was created on January 30, 2015. In May 2015, an acting Public Engagement Officer was appointed for the office, and in December 2015, the Director of Customer Service and Communications was hired to oversee the OPE.
- The OPE supports the City's public consultation and engagement activities and ensures that there is consistency and transparency in sharing information with citizens about City projects. The OPE began to get involved in the WRCP/SLP project in January 2016, which was the first Open House for the project.
- The OPE is also currently developing public engagement process guidance for the City's Project Management Manual.
- We evaluate the public engagement process for the project in Section 3.4 of our report.

[1] City of Winnipeg. "Asset Management Project Management Manual: Version 3.0" (2015): 1-19. Print.

1.5 Project Design and Delivery

- Once a capital project has been identified for future construction, the design work for the project can proceed. Design work in an infrastructure project is iterative, normally going through several stages with each stage becoming more detailed until the final design work is complete. At the most basic level, design work will normally go through a "preliminary design phase" and a "detailed design phase". Preliminary design work is used for the City's capital budget approval process.
- The Public Service will normally include a request for funding for preliminary design work on major capital projects in the capital budget due to the significant cost of the work. The design work does not commit the City to construct the project within a specified timeframe, nor to include a request for project construction in the capital budget, but is necessary to create a Class 3 cost estimate, should the project be submitted for capital budget approval.
- We noted that different meanings have been used for the terms "functional design" and "preliminary design" (two components of preliminary design work) by different members of the project management team, the consultants and the Public Service that we talked to throughout our audit. We also noted that those meanings were different from the definitions of functional design and preliminary design contained in the City's Project Management Manual. For the purposes of our audit, we use the following definitions for the different design study terms:

  Functional Design – The earliest and most basic design work completed for a project. The work is completed to provide conceptual options for a project that can be used for discussions with various stakeholders. The work represents about 10% completeness of the final design work and is sufficient to create a "Class 4 cost estimate". Functional design can also be known as a "feasibility study".

  Preliminary Design
  This is a fairly comprehensive study of the major project elements. It is more detailed and more expensive than functional design, and typically focuses on the preferred option for the project. The work represents about 30% completeness of the final design work and is sufficient to create a "Class 3 cost estimate" for capital budget authorization. A Class 3 cost estimate is the City's adopted minimum standard for capital budget submissions as recommended by the Association for the Advancement of Cost Engineering (AACE).

1.6 Professional Association Guidance Relevant to City Processes

International Association for Public Participation (IAP2)

- IAP2 is an international member association that seeks to promote and improve the practice of public participation (or community and stakeholder engagement), incorporating individuals, governments, institutions and other entities that affect the public interest throughout the world. The City has incorporated the IAP2 methodologies into its public engagement processes.

- The IAP2 publications consist of several documents relevant to the public participation process:
    - The Core Competencies – the essential capabilities for a public participation professional to effectively design, implement, and evaluate public participation programs. There are a total 31 criteria that are categorized into the following five competencies: Process Planning and Application Skills, Event Planning and Implementation Skills, Appropriate Use of P2 Techniques, P2 Communication Skills, and P2 People Skills.
    - The Code of Ethics – a set of principles that guides the practice of public participation, and enhances the integrity of the public participation process.
    - The Core Values – used in developing and implementing public participation processes to help inform better decisions that reflect the interests and concerns of potentially affected people and entities.
    - The IAP2 Spectrum – defines a range to which a public participation program will fall within: Inform, Consult, Involve, Collaborate, Empower. Each type identifies a different level of public participation that ranges from simply providing the public with information, to placing the final decision-making in the hands of the public. As such, each level on the spectrum has significantly different cost implications on a project.

*ADKAR Change Management Model (**A**wareness-**D**esire-**K**nowledge-**A**bility-**R**einforcement)*

- Neighbourhood development changes the face of communities and requires appropriate change management processes. The Prosci ADKAR Model is a goal-oriented change management model to guide individual and organizational change. The acronym ADKAR, represents the five outcomes an individual must achieve for change to be successful.
- According to the ADKAR model, change happens on two dimensions: there is the organization side of change (the City) and the people side of change (the public). Successful change is a result of both dimensions of change maturing simultaneously.
- The most commonly cited reason for project failure is problems with the people side of change.[1]
- This model helps an organization understand an individual's needs during a change and directs what kind of support could be provided for a successful transition through analyzing the public's awareness, desire, knowledge, ability and reinforcement of a proposed change.
- The ADKAR model assists with effectively planning for change and identifying where a current change is failing, so that corrective action can be taken. In applying the ADKAR model a communications plan would be developed not only for communicating a proposed project however, also would be developed for specifically driving awareness of the need for the project and proposed change.
- Some principles of the ADKAR model were used to assess key communications in the WRCP/SLP public engagement process.

[1] https://www.prosci.com/adkar/adkar-model April 30, 2018.

1.7 Principles Used to Complete Our Analyses

- The previous sections detail documented internal and external guidance used to evaluate various aspects of this Project. The principles that follow have been derived from a number of professional sources, but cannot be traced to any one specific model or methodology. We present these to inform readers about the general management principles that we used to complete our analyses and to arrive at our conclusions.

Decision-Making Principles

- Soliciting and balancing the varying (and often conflicting) views of stakeholders to a decision is fundamental to effective decision-making. This principle is embedded in the democratic process, political science, management theory, and is central to public engagement and project management standards. Effective decisions solicit the varying views of key stakeholders, give an opportunity for meaningful feedback from those impacted by the decision, and develop the best solution based on the balance of interests.

Communication Principles

- Community development is change, and communications during times of change require certain characteristics to be effective. There are four principles of communication that we used to help complete our analyses: (1) Communications must be put into the language of the receiver for the receiver to be able to understand the message; (2) Communications must be consistent; inconsistency in the message will cause confusion in the message going forward; (3) Communications on significant changes should be repeated numerous times in several different media; a single communication about significant changes will not be enough to relay a message, and almost certainly not enough to enable a listener to accept it; (4) Two-way communication must relay when the opportunity for feedback will occur.

WILLIAM R. CLEMENT PARKWAY / STERLING LYON PARKWAY BACKGROUND

1.8 William R. Clement Parkway / Sterling Lyon Parkway – City Planning Background

Year	Date	Authorizing Body	Event
1993	June 23	Council	Plan Winnipeg…toward 2010 – Council adopts the new planning by-law that sets policy allowing some rural area development to occur at prevailing densities and in accordance with secondary plans. The by-law also recognizes the difficulty that these developments present on future orderly development of the City.
1994	September 21	Council	Wilkes South Secondary Plan – illustrates two possible alignments for east-west road. States Sterling Lyon is intended to replace Wilkes at some point in the future. Also states that, "among its shortcomings, Wilkes Avenue is considered too close to CN mainline, raising safety issues at the level crossings of north-south streets." (Excerpt attached as Appendix 4)
2001	December 12	Council	Plan Winnipeg 20/20 Vision – Council adopts the new planning by-law that maintains the previous rural area development policy. Policy Plate C of the by-law identifies the connection of Sterling Lyon Parkway to Wilkes Avenue (as it currently exists) as a "major street addition for consideration beyond 2020", and identifies Wilkes Avenue as the intended inner ring road route. (See Appendix 5)
2011	July 20	Council	OurWinnipeg, Sustainable Transportation, and Complete Communities – Council adopts an updated planning by-law that revises previous rural planning policies. Complete Communities identifies Wilkes South as a "new community" set for future urban development with higher density development. "New communities" are defined as "large undeveloped land areas", which does not reflect the existing residential development on Liberty, Loudoun, Howe and McCreary roads.
	November 16	Council	Approved the Transportation Master Plan (TMP) which included the William R. Clement Parkway (WRCP) - between Grant Avenue and Wilkes Avenue, as a medium term priority (by 2021), and from Wilkes Avenue to McGillivray Boulevard as a long-term priority (by 2031). Neither the widening of Wilkes nor the extension of Sterling Lyon Parkway are identified.
2012	April 25	Council	Council approved an amendment to the TMP, which resulted in the WRCP between Grant Avenue and Wilkes Avenue becoming a short term (by 2016) priority. (See Appendix 6)
2013	January 11	SPC IRPW	Committee receives the Charleswood Area Transportation Study – Recommended plan for Wilkes - that additional study be completed to compare the widening plan on the existing alignment developed in this project to an alternate east-west arterial roadway south of Wilkes Avenue.
	October 23	Council	Ridgewood South Precinct Plan – identifies the intended extension of the William R. Clement Parkway from Grant Avenue to Wilkes Avenue and beyond.
	December 17	Council	Approved in the 2014 Capital Budget. Project Name: William R. Clement Parkway – Grant Avenue to Wilkes Avenue. Amount = $800,000. The project was added through the budget consultation process by elected officials. (See Appendix 7)
2014	January 29	Council	Approved amendments to Charleswood Transportation Levy to fund projects directly related to regional transportation facilities.
	June 25	Council	Endorsed the WRCP project as one of the City of Winnipeg priorities for inter-governmental funding through the Building Canada Fund.
	November 4	Council	Inaugural meeting of Winnipeg's new City Council, starting the public service terms of the new Mayor, the new ward Councillor for Charleswood, and new Chair of the Standing Policy Committee on Infrastructure Renewal and Public Works.
	December 10	Council	As part of the capital budget process the Public Works Department refines the project scope and requests additional monies, project name remains unchanged. . (See Appendix 8) Approved additional project funding in amount of $800,000 to be funded by Charleswood Transportation Levy. That the William R. Clement Parkway Capital Budget be used for: A. The preliminary engineering design of the William R. Clement Parkway between Grant Avenue and Wilkes Avenue and associated rail grade separation of the CN River mainline, and; B. The functional engineering design of the William R. Clement Parkway between Wilkes Avenue and McGillivray Boulevard and associated improvements to Wilkes Avenue.
2015	January 30	CAO	The City creates the Office of Public Engagement to help support the City's public consultation and engagement activities.
	March 25	Council	Council appoints Doug McNeil as Chief Administrative Officer for the City. Council also refines the City's four infrastructure priorities for Canada Building Fund applications. The Council Seminar presentation for these priorities released on the City's website identifies WRCP from Grant to Wilkes as a medium term project, and WRCP from Wilkes to McGillvray as a long-term priority. Sterling Lyon Parkway is not noted on the listing.

1.9 Summary Observations on the Project Planning Process

- Council policy from the 1990s states that Sterling Lyon Parkway was intended to replace Wilkes Avenue at some point in the future, but also recognized the difficulty that rural neighbourhood development placed on future urban development.
- The Planning, Property & Development Department confirmed that over 120 homes have been built on Liberty, Loudoun, Howe and McCreary roads since the Wilkes South Secondary Plan By-law was passed in 1994.
- Plan Winnipeg 20/20 Vision, adopted in 2001, identifies Wilkes Avenue as the intended inner ring road route, leaving questions as to whether Sterling Lyon Parkway is still intended to replace Wilkes in the future. We cannot conclude on this, however, as the Wilkes South Secondary Plan By-law was neither repealed nor revised.
- The Transportation Master Plan of 2011 contains the intended future extension of the William R. Clement Parkway (WRCP) from Grant to McGillivray, later identified in public communications as "an important component of the City's strategic road network to accommodate the travel demand associated with future residential, commercial, and industrial growth in west Winnipeg." The Transportation Master Plan does not discuss or show either the widening of Wilkes Avenue or the intended future extension of Sterling Lyon Parkway.
- In 2012, Council revises WRCP between Grant Avenue and Wilkes Avenue to become a short-term priority.
- The Charleswood Area Transportation Study completed in 2013 recommends that additional study be completed to compare the widening of Wilkes Avenue to an alternate east-west arterial roadway south of Wilkes Avenue.
- Funds to conduct a functional design study of WRCP extension are first included in the 2014 Capital Budget. The project was initiated by elected officials through the budget consultation process and in line with the Council direction to make the project a short-term priority. The Public Works Department later requested additional funds and to increase the scope of work to include studying twinning and realignment options for Wilkes Avenue. We note, however, the project name remained unchanged and only referenced the WRCP portion of the project.

1.10 RFP No. 732-2014 - Request for Proposal for Professional Consulting Services for the Functional Design of the William R. Clement Parkway Extension from Grant Avenue to McGillivray Boulevard

- The scope of services required by the RFP included an engineering design study for the extension of the WRCP between Grant Avenue and McGillivray Boulevard, and required improvements to, or realignment of, Wilkes Avenue. Those services were further defined into two major components:
    - Functional Design Phase – WRCP between Grant Avenue and McGillivray Boulevard and improvement to, or realignment of, Wilkes Avenue.
    - Preliminary Design Phase – further develop the design of the WRCP between Grant Avenue to Wilkes Avenue to develop preliminary engineered drawings for this section of WRCP and a Class 3 costs estimate for the works.
- The RFP included several other descriptions of the services to be provided, but of particular relevance to this audit are the following:

    D5.2(I) - WRCP and Wilkes Avenue Functional design shall also include at a minimum:

    (i) Evaluate alignments for WRCP between Grant Avenue and Wilkes Avenue as required.

(ii) Evaluate alignments for WRCP between Wilkes Avenue, or the realigned Wilkes Avenue, and McGillivray Boulevard to determine optimal alignment and tie-in location with McGillivray.
(iii) A review of the existing Wilkes Avenue alignment to determine the extent of twinning or intersection improvements required the opening day of WRCP to address operational and capacity needs.
(v) Realignment of Wilkes Avenue between Sterling Lyon Parkway and Charleswood Road at a location south of its existing alignment. Evaluate the realigned alternatives versus widening of the existing Wilkes Avenue right-of-way as outlined in the Charleswood Area Transportation Study.

D5.2 (c) Design and implement a logical and transparent Public Consultation Program to insure appropriate input from, and communication with the community and other stakeholders. Reference should be made to the publications of the International Association for Public Participation (IAP2) in developing the public engagement process.

D5.2 (ff) Perform an Environmental Assessment on the selected alignment. Includes all tasks necessary for the preparation and support of an Environment Act Proposal for the William Clement Parkway Extension Project from Grant Avenue to McGillivray for submission to the Province of Manitoba and the obtainment of an Environmental Act License for this project.

- On December 16, 2014, the Director of the Public Works Department approved an award of contract to MMM Group Limited (later acquired by WSP).

WILLIAM R. CLEMENT PARKWAY / STERLING LYON PARKWAY STUDY CHRONOLOGY

2.1 William R. Clement Parkway / Sterling Lyon Parkway - Key Events

Year	Date	Authorizing Body	Event
2014	September 8	Public Works Department	RFP 732-2014 was posted to the City's website to undertake the WRCP study. Transportation Division manages the RFP process.
	December 16	Public Works Department	RFP 732-2014 was awarded to MMM Group (now WSP). Engineering Division is assigned for project management.
2015	January 13	Public Works Department	Steering Committee meeting #1 - Phase One is defined as William R Clement Parkway from the north limit to Wilkes Avenue or a new east-west arterial, and Wilkes Avenue and/or a new east-west arterial within the study area. Phase Two is defined as William R Clement Parkway from Wilkes Avenue or a new east-west arterial to the south limit.
	February 4	Public Works Department	WRCP Extension Project Team - Initiation of stakeholder consultation process led by representatives of WSP with support from City staff. Some delays occur due to lack of proper City approval of public consultation materials.
	March 19	Public Works Department	Public Information Display Session - Presented as William R. Clement Parkway Extension Functional & Preliminary Design Study. Reference to Twinning of Wilkes Ave. and develop realignment alternatives.
	March 23	Public Works Department	City initiated Change Order #1 - WSP requested to reschedule some stakeholder meetings, also required changes to the stakeholder presentation materials.
	April 22	Public Works Department	City initiated Change Order #2 - Two rounds of Stakeholder meetings were identified in WSP's proposed work plan; one set of eight before the PIDS, and one set before the first open house. WSP was asked to provide a budget to add a third set of stakeholder meetings before the final open house.
	April 30	Public Works Department	Steering Committee meeting #2 - Sterling Lyon North Alignment has been selected as the preferred option from a technical perspective. Revisions will show a tie-in to the existing Wilkes alignment west of WRCP and an extension east of Shaftesbury to provide access for existing development north of Sterling Lyon.
	July 8	Chief Operating Officer	Internal PW correspondence - Limited project progress occurs from July through to November. COO directed PWD to delay open houses planned for summer. Concerns were raised regarding timing and necessity to move project forward with no capital funds identified for project completion.
	November 20	Public Works Department	City initiated Change Order #3 - WSP has incurred additional costs to stop/start the process, revise open house materials, reschedule the open house and stakeholder meetings, etc. The need for a Council seminar was rescinded.
2016	January 19	Public Works Department	Open House - Key Message – "The WRCP Extension is an important component of the City of Winnipeg's future transportation system, providing a north-south link in west Winnipeg. This study will guide the implementation of the WRCP Extension." Presentation then includes three conceptual options for SLP/Wilkes Avenue route.
	January 26	Public Works Department	Steering Committee meeting #3 - During stakeholder consultations, Provincial representatives indicated that Option 2 is their preferred option. It was noted that the location of the intersection of WRCP/SLP has not been finalized pending finalization of the CN grade separation option.
	February 10	Public Works Department	City initiated Change Order #4 - WSP was instructed to enhance the consultation services from the original work plan to include small group meetings with impacted property owners prior to the final open house.
	March 17	Public Works Department	Steering Committee meeting #4 - WSP confirmed the technical approach to Environment Act Proposal (EAP) with Province. Cautioned that the application should only be filed if the City plans to proceed as the license is only valid for three years, but could be extended to five or six years.
	May 13	Public Works Department	Value Engineering (VE) Meetings - Main objective of the VE Study was to provide design options to increase value through improved functionality and/or capital and/or life cycle cost avoidance while maintaining a quality project that meets stakeholder needs and the overall objectives of the project.
	June 23	Public Works Department	Steering Committee meeting #5 - Risk identified that the project name has focused on WRCP, and that those potentially affected on SLP may have not been aware of the project. WSP suggests that further discussions with stakeholders are required as the options presented for the SLP are only conceptual and meant as basis for further discussion.
	July 5	Public Works Department	WSP advises PWD that following discussions of SC #5 they are able to shift SLP 350m further north of the functional alignment used for VE. (Appendix 9 of our audit report includes a map overlay of a route included in the Wilkes South Secondary Plan, Conceptual Option 2: Sterling Lyon North, and the final route communicated through the EAP.)
	November 2	Public Works Department	PWD initiated email - Draft display materials for the final Open House were submitted to the Office of Public Engagement for Review.
	November 4	Public Works Department	PWD Director advising City project team to develop messaging strategy prior to engaging property owners as this project is at a functional design stage. Further advises should brief IRPW and receive formal instruction.
	November 10	Public Works Department	WSP submits draft Preliminary Design Report to City.
	November 14	Public Works Department	Internal PWD correspondence to provide advice to City project manager on briefing note - follow the template, 1 or 2 pages length, should include: project description, project status, summary of consultations undertaken to date, proposed remaining consultation and how it is consistent with our public consultation strategy as well as being open and transparent.
	November 28	Public Works Department	Confidential Briefing Note sent to Chief Administrative Officer. Intent was to seek approval for the Department to be directed to move forward with impacted property owner meetings and a final public open house to present the recommended alignment.

Year	Date	Authorizing Body	Event
2017	January 3	Public Works Department	PWD advises area Councillor that WRCP project needs to include accommodation for future east-west roadway that would connect Ridgewood Development and WRCP Extension. The east-west roadway is required as it is part of the approved secondary plan (Ridgewood South Precinct Plan) and any modifications require Council approval.
	February 8	Public Works Department	Internal PWD correspondence from Transportation Division advising they have too many projects ongoing and will not be able to provide adequate service if any new projects are added to the workload.
	March 17	Area Councillor	Area Councillor is asking PWD to speak with landowners, asking for support and attendance at meeting with Cllr, district planner scheduled for April 18. Cllr organizing meeting but CAO has not yet approved restart. The referenced landowner appears to be a local community centre.
	April 18	Chief Administrative Officer	CAO advises PWD that he authorizes the team to proceed with the public engagement for the WRCP project.
	July 10	Public Works Department	Internal PWD correspondence that creates project close-out plan. Chief Utilities Transportation Officer (CUTO), CAO & Area Councillor advised of plan.
	July 12	Public Works Department	PWD advised WSP and City staff to proceed with completing the WRCP project. Stakeholder and landowners meetings - October 2017, final open house - December 2017, administrative report to IRPW - early 2018.
	July 13	WSP initiated email	WSP sent an email to PWD advising that they will be "cutting a cheque for the EA submission with the province now that the project is again a go".
	July 18	Public Works Department	City initiated Change Order #5 - WSP instructed to restart the public consultation process and materials, update the timeline and update the EAP submission to the Province. (WSP was instructed to stop work on the project in late 2016.)
	July 27	Public Works Department	WSP submits Environment Act Proposal with the Province.
	August 14	Public Works Department	WSP advises PWD that they have filed the EAP documents with the Province. Review process should begin August 21st.
	September 14	Public Works Department	PWD discussing that the drawings for the WRCP project had been posted on the province's website as part of the application for the Environmental License. Recommends landowner meetings be bumped up and notify CUTO and Area Councillor.
	September 15	Public Works Department	WSP contacted the Province to have the WRCP plans taken down from the website.
	September 19	Public Works Department	WSP sends letters via registered mail to all impacted landowners on PWD letterhead. Meetings with landowners impacted by the WRCP / SLP extension are scheduled for October 2, 3, 4 and 5.
	September 28	Public Works Department	WSP, PWD, CC & PPD – WRCP and SLP Parkway Extension Meeting to discuss the WRCP landowner meetings held the week of October 2 2017. Draft presentation materials for Open House #2 – project title revised to William R. Clement Parkway and Sterling Lyon Parkway Extensions.
	October 2-5	Public Works Department	Land Owner Meetings - Materials presented at land owner meetings
	October 20	Chief Administrative Officer	CAO directs PWD to twin Wilkes in the existing alignment and develop a functional design with a Class 4 estimate.
	October 23	Email correspondence	Initiation of discussion between Mayor's Office staff, area Councillor, CAO and parties external to City regarding language for October 31, 2017 motion on the WRCP project.
	October 31	Public Works Department	City initiated Change Order #6 - WSP was instructed to develop two options for Wilkes Avenue comparable to the Sterling Lyon plan on a conceptual level, identify needs, prepare a Class 5 cost estimate, prepare a comparison of three options
	October 31	SPC IRPW	Area Councillor brings forward motion to Committee that the planning and design of an east/west connection of the William R. Clement Parkway extension project utilize only the existing Wilkes Avenue right-of-way with some exceptions noted. The motion specifically states "that any future planning and design of the William R. Clement Parkway extension project does not contemplate, in any way, shape or form, a new road south of Wilkes Avenue that is not contiguous with the existing Wilkes Avenue right-of-way."
	November 29	Executive Policy Committee	EPC revises the SPC IRPW motion. The EPC motion allows for the William R. Clement Parkway component of this project to continue. EPC also directed that any planning for the east/west connection of the William R. Clement Parkway extension project must follow and be included in the Precinct Plan for the South Wilkes area.
	December 13	Council	Council approves the EPC motion.

2.2 Summary Observations of the Chronology

- The original project name from the budget submission was used through the public engagement activities and did not accurately reflect the true scope of the project. This would have had a dampening effect on public participation for those potentially affected by an east-west corridor.
- Two significant project delays occurred from approximately July through to November 2015 and also from October 2016 through to April 2017. These delays contributed to additional project costs and an inability to adhere to the original project timeline.
- The delay in 2015 appeared to result from a request from the Public Works Department to conduct public engagement activities during the summer months. This also prompted some elected officials to question the necessity to proceed with this project in light of the fact it was not within the top four infrastructure projects identified within the Building Canada Fund proposal.
- The 2016/17 delay also appears to have been prompted by a desire to conduct public engagement activities, this time around the holiday season. This resulted in a decision to hold-off on activities.
- Several change orders were approved to revise public engagement activities due to issues such as re-scheduling sessions or adding additional sessions.
- The presentation at Open House #1 of "Conceptual Options" for the east-west corridor was meant to communicate a general area for a potential corridor that would then be further refined. At least some individuals interpreted those options as specific route designs.
- The intent of the confidential briefing note to the CAO was to communicate project status and proposed remaining public consultation so that the project could proceed. There was no specific request or guidance on the briefing note from the CAO's Office.
- The July 2017 project close-out plan defined a series of milestones in an attempt to conclude the project in advance of new priorities being placed on the Public Works Department.
- The planned submission and posting of the EAP was known by City staff well in advance of it being placed on the Provincial website.
- The EAP communicated the preferred route for the east-west corridor. This is interpreted as a new route; project engineers believed it was a refinement of the Conceptual Option 2: Sterling Lyon North.
- Impacted landowner meetings are the impetus for motions that ultimately are approved by Council resulting in the final political direction to the Public Service to continue with the WRCP component and conduct further study for the east-west corridor.

2.3 Correspondence Review for Project Briefings and Communications

- The Audit Department identified a number of elected officials and City staff that could have information relevant to this audit. We requested a search of both the corporate Outlook platform and any personal archive files from November 25, 2014 to the search date. Additional search parameters included a listing of keywords deemed relevant to this project.
- The search was conducted between January 31 and April 15, 2018 and we obtained a total of 40,792 results. The above referenced restrictions on the search were put in place in an effort to manage the overall volume of results for review.
- A specific focus of the review was the identification of records, either email correspondence or a meeting request, with supporting attachments of specific individuals. Through this process we defined targeted searches to refine the population of records and create subsets of results. A review of those records was then conducted to determine relevance and the ability to provide conclusive evidence of knowledge or direction of project activities or decisions.
- The basis for this approach is to undertake some preliminary investigative analysis and then employ professional judgment to identify areas that warrant further analysis. Given the time constraints it would not have been possible to review every record in detail nor would that approach be recommended from a value perspective.
- The Scope Limitations section provides critical background information on the results obtained. This places limits on our ability to conclude on an individual's knowledge or awareness at any specific point in time.
- Of particular focus was the extent of involvement and authorization provided by the Director of Public Works, the Chief Administrative Officer and the area Councillor. The table below highlights specific critical events and comments on the authorization or knowledge of these individuals.

Year	Date	Event	Comments
2013	December 17	Approved in the 2014 Capital Budget. Project Name: William R. Clement Parkway – Grant Avenue to Wilkes Avenue.	Previous Council Approved Previous Chief Administrative Officer Informed Previous Public Works Director Informed
2014	November 4	Inaugural meeting of Winnipeg's new City Council and new area Councillor for Charleswood.	
	December 10	Public Works Department refines the project scope and requests additional monies.	Council Informed and then Approve Previous Chief Administrative Officer Informed and then Approve Previous Public Works Director Approved
	December 16	RFP 732-2014 was awarded to MMM Group (now WSP).	Previous Public Works Director Approved
2015	March 19	Public Information Display Session - Presented as William R. Clement Parkway Extension Functional & Preliminary Design Study. Reference to Twinning of Wilkes Ave. and develop realignment alternatives.	Area Councillor Informed Previous Chief Administrative Officer Informed Previous Public Works Director Approved
	March 25	Council appoints new Chief Administrative Officer for the City.	
2016	January 19	Open House - Key Message - The WRCP Extension is an important component of the City of Winnipeg's future transportation system, providing a north-south link in west Winnipeg.	Area Councillor Informed Chief Administrative Officer Informed Previous Public Works Director Approved
	May 13	Value Engineering Meetings result in refinements to Conceptual Option 2 – Sterling Lyon North.	Area Councillor - No conclusive evidence of being informed Chief Administrative Officer - No conclusive evidence of being informed Previous Public Works Director – status unknown (please refer to scope limitation section)
	November 28	Confidential Briefing Note sent to Chief Administrative Officer – intent is project status update	Area Councillor - No conclusive evidence of being informed Chief Administrative Officer Informed Previous Public Works Director Approved
2017	July 10	Updated project close-out plan.	Area Councillor Informed Chief Administrative Officer Informed Current Public Works Director Approved
	July 27	Submission of Environment Act Proposal with the Province.	Area Councillor - No conclusive evidence of being informed Chief Administrative Officer - No conclusive evidence of being informed Public Works Director – No conclusive evidence of being informed, authority resided with project team.
	October 2-5	Impacted Land Owner Meetings	Area Councillor Informed Chief Administrative Officer Informed Public Works Director Approved

- The next table provides a more detailed analysis of email correspondence and meeting requests obtained from the Outlook system. The table provides a summarization of the analysis, and identifies content of some specific correspondence on the issue of routes including Conceptual Option 2: Sterling Lyon North and the subsequent revisions process for that route.
- The time period of the analysis was from February 1, 2015 (prior to the first public engagement session) through to August 31, 2017 (after EAP posted and information on refined route was publicly available).
- The time periods in the table have been created based on professional judgement and the identification of logical blocks of time where activity occurred on the project.

Time Period	Individual	Summarization	Details of Correspondence
February 1 – July 13, 2015	Councillor Morantz	• Normal project correspondence	• Meeting invites to Councillor from PWD - to provide overview of WRCP Public Information Display Session materials. • Meeting invites to Councillor from PWD or WSP to attend several WRCP Stakeholder Meetings – some meetings were subsequently cancelled. • Emails exchange between Councillor and area residents on specific concerns of WRCP Extension (e.g. Harte Trail, Charleswood habitat preservation). • Communication to Councillor of meeting notes from Stakeholder Sessions. • Meeting invites to Councillor from WSP regarding planned June 24, 2015 WRCP Open House. • Contact from local community club to Councillor – concern over WRCP extension and potential impact. • Email to Councillor from PWD – excerpts from email: o "As we discussed, improving the east-west transportation link in south Charleswood whether it is Wilkes Avenue, realigning Wilkes Avenue or extending Sterling Lyon Parkway, will have impacts to a number of properties." o "Known extents of land requirements will not be defined until an alignment is selected and near the end of the study once the design is further refined."
	Doug McNeil	• Normal project correspondence • Concern over Council's knowledge	• Email to CAO from Corporate Communications – email stated that phone call occurred with Mayor's Office staff where the individual is expressing concerns that Council is not aware of Project. Noted exception is Councillor Morantz. *City Auditor Comment - There is no other evidence to support or corroborate the statement made in the email. Noted discussion is limited to awareness of the project, no mention of specific routes. The identified staff member is no longer employed in the Mayor's Office.* • Email from COO to PWD (ultimately forwarded to CAO) – identifying options to inform all Councillors without the need for a Council Seminar as that could cause scheduling delays.
No identified relevant correspondence			
November 3, 2015 – March 15, 2016	Councillor Morantz	• Normal project correspondence • Reference that next steps are to detail a preferred route	• Meeting invites to Councillor from WSP to attend WRCP Stakeholder Meetings in January 2016 – meeting intent is to provide updates on progress – noted that Councillor unable to attend due to scheduling conflicts. • Email to Councillor from PP&D – reference to local community centre and WRCP impact. • Meeting invite to Councillor from PWD - debrief of Open House – meeting cancelled as Councillor is unavailable. • Councillor's Assistant email to WSP (with cc to Councillor) noting resident concerns with WRCP extension – WSP response excerpt – "at this point in the design process we only have very high level concepts, which do not show impacts on property or detailed dimensions. The concepts show general alignments on a map". • Meeting invite to Councillor from PWD for project update. States conducted via telephone. • Email to Councillor from PWD on route options – excerpt – "Wilkes Alignment, Option 2 was the most desirable option from the public and also the most desirable from an engineering perspective", and "[a]s mentioned the options presented were very conceptual and the next steps will be detail the preferred alignment". *City Auditor Comment - No further details are provided, suggested at this point that preferred alignment is in development.*

Time Period	Individual	Summarization	Details of Correspondence
	Doug McNeil	• Involvement of Mayor's Office	• Meeting minutes between Mayor and CAO – "Proceed with the Open House for the William Clement Parkway." Additional notes indicate Mayor's Office will advise CAO on need for Council seminar. *City Auditor Comment –The direction appears limited to the conduct of public engagement activities, there is no indication of discussion or knowledge of preferred route.*
No identified relevant correspondence			
August 29, 2016	Councillor Morantz	• Identification of changes to the plan	• Email to Councillor from WSP– excerpt "WRCP design process went through what is called value engineering over the summer months which resulted in some changes to the plan, which pushed back the open house date somewhat. We hope to have the open house in the fall and the exact date is not established just yet." *City Auditor Comment - No further details are provided to identify the changes to the plan.*
No identified relevant correspondence			
October 6, 2016 – January 17, 2017	Councillor Morantz	• Reference to alignments and revised functional plan. • No conclusive evidence to confirm Councillor is briefed on revisions to Conceptual Option 2: Sterling Lyon North	• Councillor's Assistant email to PWD (with cc to Councillor) noting resident concerns on the potential realignment of Wilkes Avenue. Map related to inquiry is Conceptual Option #1: Wilkes Avenue from Open House boards showing a placement of resident house where route is shown on map. PWD forwards to project manager. End of correspondence. • Email correspondence between Councillor and PWD - discuss WRCP Expansion and potential impact on local community centre. PWD email excerpt – "It would be beneficial to sit down with you to go over the report so that you can see some of the alignments that were considered." *City Auditor Comment – a meeting was subsequently scheduled (see next bullet), no additional relevant correspondence identified.* • Meeting invite from Councillor to PWD - discuss WRCP Expansion and local community centre impact. Appears meeting occurs, no cancellation notice identified, no meeting minutes. *City Auditor Comment – from interviews, staff recalled that maps with routes were displayed at the meeting but the focus was on the WRCP extension and the potential impact to a community centre.* • Email exchange between Councillor and PWD – Councillor requesting update on community centre concerns. PWD response excerpt "For example, the intersection of the east-west roadway to the W.R. Clement Parkway Extension has been moved north from the original location to minimize the impact" and "we have not been given direction yet to meet with stakeholders on the revised functional plan of the W.R. Clement Parkway Extension". Further email correspondence from PWD to Councillor advises they are still "awaiting direction from CAO regarding us having the ability to talk with affected property owners about how the proposed road alignment affects their property" *City Auditor Comment – there is no further explanation of the revised functional plan nor were any maps or drawings attached to correspondence. The reference to the east-west roadway appears to be in the Ridgewood Development and not Wilkes South.*
	Doug McNeil	• Normal project correspondence	• Email from Corporate Communications to CAO identifying concerns with timing for planned landowners meetings (Nov. 21 – Dec. 13) and open house (Jan. 10). • PWD submits Briefing Note to CAO. There is a reference that attachments have been down loaded to a drop box folder. No other relevant or explanatory information contained within email dialogue. Analysis of Briefing Note completed in Section 3.3
No identified relevant correspondence			

Time Period	Individual	Summarization	Details of Correspondence
March 12 – April 21, 2017	Councillor Morantz	• Normal project correspondence	• Emails from Councillor to PWD requesting current diagrams related to the proposed re-alignment of Wilkes Avenue. Questioning why consultant didn't consider utilizing the current alignment of Wilkes as opposed to the three identified in the Open House boards (web link to Open House boards included in email). *City Auditor Comment – there is no evidence of maps being forwarded other than Open House materials.* • Email from PWD to Councillor responding "The reason why they didn't use the current alignment of Wilkes is because we requested that they investigate a grade separation at the CN Mainline. Because of this, it is not possible to use the current alignment of Wilkes because there is not enough space to go either down/up and then back up/down to the proper grade along the alignment of the WRC Parkway." • Email exchange between Councillor and PPD discussing an area resident's concern.
	Doug McNeil	• Normal project correspondence	• CAO provides authority to proceed with public engagement plans and to address concerns of community centre.
No identified relevant correspondence			
July 10 – August 31, 2017	Councillor Morantz	• Normal project correspondence	• Email from PWD to Councillor advising of project close-out plan. Intent to submit Admin report to SPC IRPW in early 2018. Councillor acknowledges receipt of plan. • Email exchange between area resident and Councillor – citizen expressing concerns over ability to develop land. • Email exchange between Councillor and PPD – PPD advising current zoning status of area.
	Doug McNeil	• Normal project correspondence	• CAO approves project close-out plan developed by PWD. *City Auditor Comment – neither Conceptual Option 2: Sterling Lyon Parkway North Alignment or submission of the EAP is identified in the plan.* • Email from Chief Asset & Project Management Officer to PWD with copy to CAO requesting discussion on Council Motion of July 19, 2017 that Public Service report back to Council within 60 days, with a report on the progress with respect to the design and an estimated budgets for each of the following projects: William R. Clement Parkway Extension from Grant Avenue to Wilkes Avenue.

- In conclusion, we did not identify any evidence that was conclusive in confirming that either the area Councillor or the CAO had knowledge of the refinements to Conceptual Option 2: Sterling Lyon Parkway North Alignment prior to that route being disclosed to the public through the posting of the EAP.

WILLIAM R. CLEMENT PARKWAY / STERLING LYON PARKWAY STUDY EVALUATION

3.1 Capital Planning

Issue

- Did the WRCP/SLP project follow the City's capital planning process?

Conclusions

- The project has followed the City's capital planning process and has received the approvals established in that process up to the point that the project was put on hold in December 2017. This process, however, has not been commonly defined, mapped, or widely communicated either within the City organization or to the public.

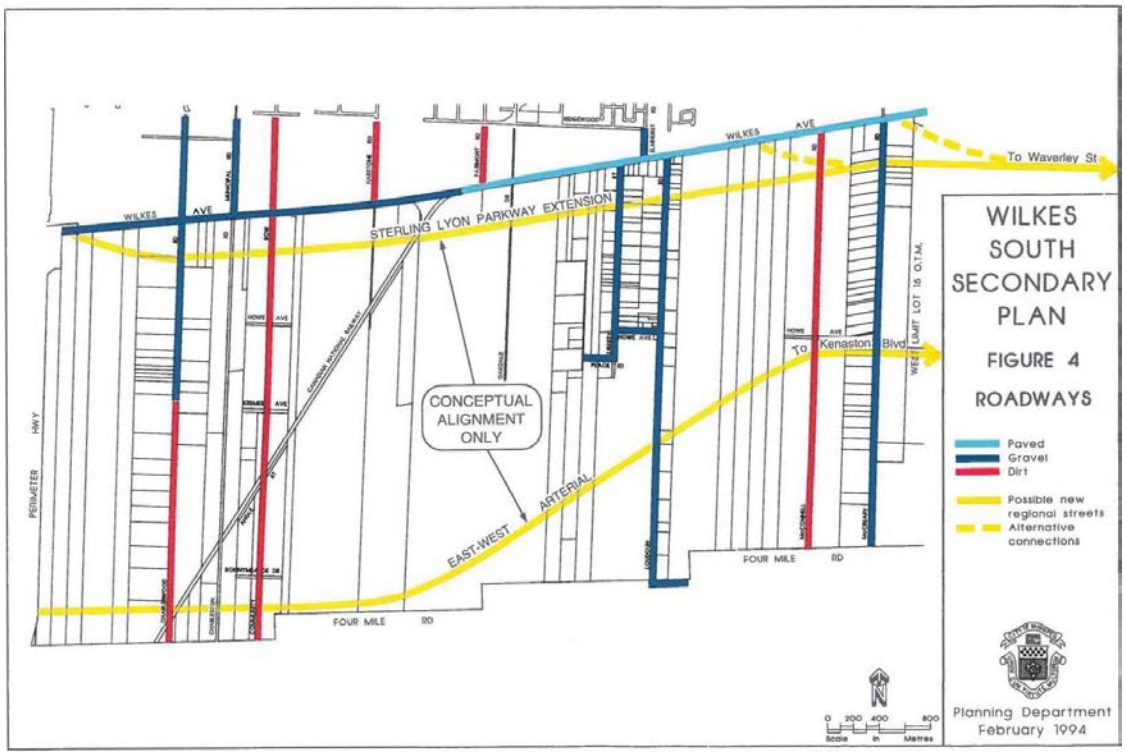
Analysis

- The City has a capital planning process that has been defined in legislation and through past experience on projects. We have mapped the process in the Overview of Corporate Processes section of our report, and have detailed how the WRCP/SLP project has followed the process below. The process as laid out below is not documented in any other City guidance that we are aware of.

Event	Document	Date
Plan Winnipeg	Plan Winnipeg… *toward 2010*	Jun 23, 1993
Secondary Plan	Wilkes South Secondary Plan By-law No. 6391/94 (SLP extension) Ridgewood South Precinct Plan By-law No. 62/2013 (WRCP extension)	Sep 21, 1994 Oct 23, 2013
Internal Project Selection Process	Direction provided to include the WRCP project in the capital budget after Building Canada Fund priorities set in 2012 and secondary plan passed	Oct 29, 2013
Budget submission (for design study)	2014 Capital Budget Capital Budget Amendment – Administrative Report	Dec 17, 2013 Dec 10, 2014
Public Engagement	Public Information Display Session Open House #1	Mar 19, 2015 Jan 19, 2016
Budget submission (construction)	Submission of project to the capital budget	Not determined

- *The City of Winnipeg Charter* requires that all public works to be constructed (including streets) be consistent with Plan Winnipeg (*OurWinnipeg*) or other secondary plans. The William R. Clement Parkway extension is consistent with the Ridgewood South Precinct Plan By-law. The Sterling Lyon Parkway extension is consistent with the Wilkes South Secondary Plan By-law. While the final road alignment for Sterling Lyon was not finalized in that by-law, the plan identified that Sterling Lyon Parkway was intended to replace Wilkes Avenue in the future. An excerpt from the secondary plan is below:

> Sterling Lyon Parkway is shown running west about 300 metres/1,000 feet south of Wilkes Avenue, connecting to the Perimeter at the existing Wilkes interchange. Sterling Lyon is intended to replace Wilkes Avenue at some point in the future depending on the pace of development in Charleswood and availability of capital funding. Among its shortcomings, Wilkes Avenue is considered too close to the CN main line, raising safety issues at the level crossings of north-south streets.



Source: Wilkes South Secondary Plan By-law No. 6391/94

- The WRCP project was elevated to a short-term priority for Building Canada Fund application in 2012, and adopted in the 2014 capital budget. The design work for the WRCP/SLP Extension had been contracted and was underway when Council revised the Building Canada Fund application priorities on March 25, 2015. The Public Works Department intended to complete the design work in order to have design 30% complete so that the project could be submitted for the Building Canada Fund, should the opportunity arise in the future.
- We've also made the following other observations about the planning process for the project.

Capital Planning Process

- The City's capital planning process has not been mapped or publicized. Publication would allow citizens to know what the approval process is for capital projects, who the appropriate approval authorities are, and when in the process public input could be heard.
- This topic became an issue in committee meetings where members of the public and elected officials asked whether the appropriate process had been followed. Members of the both the public and the Public Service were unfamiliar with the fact that the extension of Sterling Lyon Parkway had been discussed in the secondary plan for the area, and was a matter of public record. We also found in our interviews that senior members of the Public Service had varying levels of understanding on the overall approval process for capital projects.

RECOMMENDATION 1			
We recommend that the Chief Administrative Officer create a map of the capital planning process to be included in the City's Project Management Manual, and provided on the City's website for all major capital projects.			
RISK AREA	Management Process	**ASSESSMENT**	High
BASIS OF ASSESSMENT	Effective processes outline the steps that a process has, and communicates the roles and opportunities to engage in the process to all relevant stakeholders, including the public. Uncertainty in processes can cause unanticipated effects that delay the delivery of and increase the costs of major capital projects, and damage public trust.		
MANAGEMENT RESPONSE			
Agree. The City's Project Management Manual has a high level description of the capital planning process. The Public Service will create a process map for the Project Management Manual as well as create a process map for each major capital project on the City's website. Further, the Project Management Manual will be revised to include definitions of the various stages of a major capital project (e.g. conceptual study, functional design study, preliminary engineering design and detailed engineering design).			
IMPLEMENTATION DATE	Q1 2019		

Reconciliation of City Planning Documents

- Open and transparent government processes require consistent public messaging. Public concerns levied about the project noted that the SLP extension was not mentioned in the City's planning documents, including Sustainable Transportation, and the Transportation Master Plan. We believe this to be a valid critique.
- The Public Service explained to us that the SLP extension had not been included in the Transportation Master Plan because the alignment had not been firmly set. We believe that, even if the alignment had not been set, consistent messaging for the project should have mirrored the content from the Wilkes South Secondary Plan By-law. This would have reiterated the intent to replace Wilkes with Sterling Lyon Parkway in the future, would have kept awareness of the policy current, and would have allowed the public to express concerns about the alignment before the money had been spent for this project and before the trust in the Public Service had been damaged.

RECOMMENDATION 2			
We recommend that the Chief Administrative Officer create a process to ensure that major infrastructure commitments contained in secondary plan by-laws are completely captured in master plan documents for the City.			
RISK AREA	Management Process	**ASSESSMENT**	High
BASIS OF ASSESSMENT	Effective change management processes, such as those of community development, require consistent messaging of planned courses of action throughout multiple communications. Inconsistent communications can create misunderstanding of established plans, and cause unanticipated effects that delay the delivery of and increase the costs of major capital projects, and damage public trust.		
MANAGEMENT RESPONSE			
Agree. The Public Service will ensure that its master planning documents are aligned. The Public Service will review the existing secondary plans and ensure they are consistent with the Master Transportation Plan. This will be completed in conjunction with the Our Winnipeg Review.			
IMPLEMENTATION DATE	Q3 2019		

Council Approval of Selected Alignment

- Several elected officials and members of the Public Service that we spoke with noted that they believed that the functional design options should have been presented to Council for approval of the final route.
- The City's capital planning processes do not currently have a formal mechanism that would normally allow that to happen. Under the current processes, the recommended option would have been developed by the Transportation Division of the Public Works Department, and included in either a secondary plan, or in a master plan. Since the option was not included in either in a way that the current Council would have been able to decide on, the preferred option could have been chosen by the Public Service, and kept in the internal planning documents until it was submitted to the capital budget, at which time Council and the public would have had a chance to discuss it. We do note, however, that the Public Service informed us that the intent in this project was to submit an Administrative Report to Council summarizing the preliminary design findings, and seeking approval for the recommended alignment of both roadways.
- Since the current secondary plan was twenty-four years old, the dozens of citizens that had moved to the area would not have had a chance to provide feedback to Council on the route selected in the way that would normally be available in a public hearing when a secondary plan is created. These citizens may not have even been aware that their new property was potentially located along or within the path of a new roadway.
- In matters where a major roadway will be created that will impact local residents, it is important that the public have a chance to offer feedback in a meaningful way, and that the feedback be heard by Council, who are the ultimate decision makers.
- The Public Service has the expertise to bring forward the best engineering solution balancing technical design with final cost. Through public engagement they can also

gain an appreciation for the local social concerns. The elected officials bring another perspective to the decision making process, and are the ones tasked with approving the cost through the budget process while also balancing the needs and wants of the greater city with the interests of the local community.

RECOMMENDATION 3			
We recommend that the Chief Administrative Officer establish a process to submit options for roadway alignments to Council in cases where the alignments have not already been adopted in secondary plan by-laws.			
RISK AREA	Management Process	**ASSESSMENT**	High
BASIS OF ASSESSMENT	Effective decision making processes take into consideration the divergent views of relevant stakeholders. Council is responsible for making decisions that significantly impact neighbourhoods by balancing policy feedback from both the Public Service and from citizens. Not having a mechanism to provide Council with feedback from both sources increases the risk of ineffective decision making.		
MANAGEMENT RESPONSE			
Agree. The Public Service will include in the process map in the Project Management Manual the option for submitting roadway alignments to Council in cases where the alignments have not already been adopted in secondary plan by-laws.			
IMPLEMENTATION DATE	Q1 2019		

3.2 Reporting for the Capital Planning Process

Issue

- Did reports to elected officials follow established reporting guidelines, and did they effectively provide relevant and material decision making information?

Conclusions

- The reports provided to elected officials followed established reporting guidelines; however, we do not believe that the administrative report requesting an amendment to the approved budget sufficiently described the material changes to the project scope. We have also recommended additional minimum disclosures in project detail sheets for major capital projects in the capital budget.

Analysis

- The reports we reviewed were limited to those that required decisions to be made for the project. This included the original capital budget submission for the functional design, and the subsequent budget amendment request.

Capital Budget Project Detail Sheet

- The Transportation Master Plan and Council's priorities for capital projects submitted for Building Canada Fund support were revised to include the WRCP extension from Grant to Wilkes as a short-term priority in April 2012.
- In October 2013, the Public Works Department was directed to add the WRCP extension to the preliminary capital budget (see **Appendix 7**). This direction was provided by EPC members to the Public Service in the 2014 budget development meetings as it was not in the six year Capital Budget Plan. Council approved the capital budget in December 2013.
- We observed that the capital project detail sheet had very high level information regarding the project; this included the street names, department, service, a brief description stating that the $800,000 was for the functional design, and a drawing of the street to be constructed.
- We also noted that there are no specific guidelines or formal processes in place regarding the type of descriptive information that should be included in capital project detail sheets for decision makers to effectively make a decision. The amount of information provided on the detail sheet is left to the discretion of each department.
- We found that the Government Finance Officers' Association (GFOA) and other sources of information have principles and provide guidance related to the capital budget process that can help improve the City of Winnipeg's capital budget reporting processes. The principles include:
    - The capital budget contains projects that have significant impacts on communities, and requires all Councillors to vote on these projects.
    - The budget is also a public document that provides information to the public on what Council priorities are, and is open for public comment. Open and transparent documents provide the information that Councillors used to make their decisions to the public. This information includes description of projects, the benefits, costs, impacts and risks of projects.[1]

[1] GFOA Executive Board. "Communicating Capital Improvement Strategies." Best Practice. Government Finance Officers' Association, February. 2014. Web. Retrieved from gfoa.org on 2 April. 2018.

- We also found best practice recommendations on descriptive information that would be appropriate to provide in project detail sheets for major capital projects to enable Council as a whole to make large capital investment decisions. We believe the minimum descriptive disclosures should include:
    - Scope description of all major components of the project[1]
    - Reference to the City planning by-law from which the project originated[2]
    - The major benefits of constructing the project[3]
    - The significant risks in constructing the project[3]
    - The significant risks of deferring or not constructing the project[4]
- This type of information is consistent with the special purpose reports that have been created for budget requests for other major capital projects (eg. 2016 Transit Garage Overhaul, Chief Peguis 2007, Disraeli 2011, and South West Rapid Transitway 2014).
- The City recently launched an Open Capital Project Dashboard webportal (http://projectexplorer.winnipeg.ca/projects) that communicates a significant amount of information on active capital projects. The disclosure includes a detailed project scope and key benefits of the project. Communicating this detail earlier in the capital project process will provide better information to elected officials and the public.

RECOMMENDATION 4			
We recommend that the Chief Administrative Officer ensure that any project detail sheets related to a major capital project in the capital budget include the following minimum disclosures: 1. *Description of the major components (project scope)* 2. *Reference to the City planning by-law from which the project originated* 3. *Major benefits of constructing the projects* 4. *Significant risks of constructing the project* 5. *Significant risks of not constructing or deferring the project*			
RISK AREA	Management Process	**ASSESSMENT**	High
BASIS OF ASSESSMENT	Appropriate disclosures for capital budget requests for a major capital project are essential for an effective decision-making process.		
MANAGEMENT RESPONSE			
Agree. The Public Service will include the minimum disclosures (project scope, by-law reference, major benefits and significant risks) of a major capital project in the capital budget project detail sheet. However the level of detail will depend on the stage of the project, i.e. less detail at the concept study stage and more detail at the preliminary engineering stage.			
IMPLEMENTATION DATE	Q1 2019		

[1] GFOA Executive Board. "Presenting the Capital Budget in the Operating Budget Document." Best Practice. Government Finance Officers' Association, October. 2008. Web. Retrieved from gfoa.org on 2 April. 2018.
[2] GFOA Executive Board. "Master Plans and Capital Improvement Planning." Best Practice. Government Finance Officers' Association, February. 2008. Web. Retrieved from gfoa.org on 2 April. 2018.
[3] GFOA Executive Board. "Communicating Capital Improvement Strategies." Best Practice. Government Finance Officers' Association, February. 2014. Web. Retrieved from gfoa.org on 2 April. 2018.
[4] Drucker, Peter F. *Management: Revised Edition*. New York: HarperCollins, 2008. Print. 270.

Administrative Reporting for Capital Budget Requests

- In November 2014, an administrative report was prepared by the Public Works Department and submitted to City Council to request additional funding of $800,000 for the William R. Clement Parkway between Grant Avenue and Wilkes Avenue project budget.
- The Public Service reported that a scope increase for the project was required to include the extension of WRCP from Wilkes to McGillivray to determine whether the connection of WRCP to McGillivray could be moved farther east, and because of land drainage issues. Studying the Wilkes Avenue alignment to optimize the separation of Wilkes from the railway was also noted as "determine the alignment, and connection to an east-west arterial south of the CN Rivers mainline" in the objectives close to the end of the report.
- We were informed by the Public Service that the east-west roadway was added on to the project due to difficulties that would have arisen from connecting Wilkes Avenue to the WRCP extension.
- City Council approved the administrative report on December 10, 2014.
- We observed that the administrative report for the capital budget followed the guidance provided in the template on how to complete reports. However, there were some deficiencies in the report:
    - There was a significant scope increase for developing the major east-west roadway that wasn't discussed in the recommendations. The recommendations include "improvements to Wilkes Avenue"; but the exact meaning of this phrase is unclear as prior work in The Charleswood Transportation Study noted "improvements" to intersections on Wilkes Avenue to accommodate the WRCP extension.
    - The addition of the new major east-west roadway, noted as "determine the alignment, and connection to a new east-west arterial south of the CN Rivers mainline" is located near the end of the report in language that we believe is too technical for a non-engineer to fully understand.
    - The report states that public engagement would be regarding the design alternatives for the extension of the William R. Clement Parkway. This could be interpreted as excluding the east-west roadway from the public engagement process.
    - The project name remained the same despite the significant increase in project scope. The property owners impacted by improvements to Wilkes Avenue or a new roadway entirely would not be the same property owners affected by the WRCP extension. The City's capital budget documents are key communication tools to all elected officials and citizens and, therefore, the name should have been updated to reflect the significant scope increase.

RECOMMENDATION 5			
We recommend that the Chief Administrative Officer ensure that any administrative report related to an amendment to a capital budget for a major capital project include the following minimum disclosures: 1. *Description of the major components (project scope)* 2. *Reference to the City planning by-law from which the project originated* 3. *Major benefits of constructing the projects* 4. *Significant risks of constructing the project* 5. *Significant risks of not constructing or deferring the project*			
RISK AREA	Management Process	**ASSESSMENT**	High

BASIS OF ASSESSMENT	Appropriate disclosures for capital budget requests within an administrative report are essential for an effective decision-making process.
MANAGEMENT RESPONSE	
Agree. The Public Service will include the minimum disclosures (project scope, by-law reference, major benefits and significant risks) of a major capital project in any administrative report related to an amendment to the capital budget.	
IMPLEMENTATION DATE	Q3 2018

Administrative Reporting Jurisdictional Analysis:

- One of the components for our evaluation of the effectiveness of administrative reporting was to compare the City's administrative report guidance with other Canadian municipalities. We sent a survey to several comparable cities and also received information from the CAO's office for a survey they previously conducted. The detailed results of the survey can be found in **Appendix 10**.
- We made the following observations from the survey:
    - All jurisdictions have a pre-scripted format and provide instructions for report writing assistance.
    - There is a report approval path and financial impact statement for all jurisdictions.
    - Most of the jurisdictions have executive summary goals but all of them have recommendation goals. The description of recommendation implications tend to be financial; however, Ottawa also includes rural implications and risk management.
    - The majority of the cities' history and background discussion have support for the recommendations.
    - Three out of the five jurisdictions have departmental consultations identified.
    - Winnipeg reports are the only ones that require connection to a policy alignment; Ottawa is optional and the other three cities do not identify policy alignment.
    - A couple of jurisdictions provided Council specific training.
- We found that some of the Public Service members who are responsible for writing reports had questions regarding what type of information would be material for decision makers. Revisions to the template guidance could address this concern; however, we observed that some of the municipalities provided classroom training to address specific concerns for writing reports for elected officials. Courses offered in classrooms go beyond template guidance by providing the opportunity for hands on experience and feedback in a classroom setting. Courses can also give opportunity to look at various hypothetical scenarios in a risk-free learning environment.
- A review of the internal writing courses available to City staff does illustrate they have a focus to help individuals improve their writing style through the use of plain language, writing clearly and concisely, and reducing bulk. The content is general to any format and to any setting, including emails, memos and administrative reports. Developing specialized content to assist staff when writing to senior management and elected officials, and to identify and prioritize relevant and material information, would support the quality of information available for decision making.

RECOMMENDATION 6			
We recommend the Chief Administrative Officer direct Corporate Human Resources to developing courses for report writers to provide guidance and hands on training through classroom sessions.			
RISK AREA	Human Resources	**ASSESSMENT**	Moderate
BASIS OF ASSESSMENT	Clear guidance supported with hands-on training will support City staff from a variety of professional backgrounds on exercising professional judgment to identify relevant and material information to include in the development of reports.		
MANAGEMENT RESPONSE			
Agree. The Public Service currently has a number of training courses that specialize in writing skills and is targeted at leaders and employees who write as part of their jobs. The Office of the Chief Administrative Officer will work with Corporate Human Resources to identify if any of the existing courses could be enhanced to include administrative report and briefing note writing with specialized content about writing to senior management and elected officials, and how to identify and prioritize relevant and material information.			
IMPLEMENTATION DATE	Q1 2019		

3.3 Internal Reporting

Issue

- Did the confidential briefing note identify and communicate relevant and timely information to decision makers?

Conclusion

- The confidential briefing note provided to the Chief Administrative Officer on November 28, 2016 followed the City's guidance to staff on how to create briefing notes. It accomplished the purpose that it was submitted for, which was to request the CAO to approve going forward with property owner meetings and the final open house after not hearing back from the Office of Public Engagement on the matter for 26 days. The briefing note did not identify that the preferred route had been adjusted from what had been presented to the public, nor that a new set of property owners would be impacted by the revised route.

Analysis

- There is a significant amount of internal reporting and communication in any capital project that the City undertakes. For the purposes of this section, we will only discuss the confidential briefing note due to its significance in the WRCP/SLP project, and the questions that it raised around the time we were directed to complete this audit. Our review of other significant project communications is included in the analytical discussion of our other sections to which they are relevant.
- A confidential briefing note for the WRCP Preliminary Design Study and Public Engagement was sent to the CAO from the Director of Public Works on November 28, 2016. The purpose of the briefing note was to request that the CAO approve moving forward with the project after a 26 day period of waiting for approval of materials for the final open house. The briefing note discusses the progress that has been made on the project to date, the scope of the project, the status of the project, key issues, and next steps. The briefing note also contained 228 pages of attachments.
- The City has a template that provides direction on what should be communicated in confidential briefing notes to the CAO. We believe the Public Works Department followed the guidance in the template to create the briefing note, and met the terms of the guidance. The briefing note achieved its intended purpose, which was to attain approval from the CAO to move forward on the project.
- The briefing note also contained 228 pages of attachments, in which the modified preferred route was pictured numerous times.
- Despite the route being pictured on many of the attachments to the briefing note, we cannot conclude that the CAO either reviewed the attachments and saw the route, or that the CAO should have had any concern with the route discussed in the briefing note and in the attachments, for the following reasons:
    - It was public knowledge that one of the options for the project (Option 2 from the January 2016 Open House) would run through residential properties south of Wilkes Avenue, if selected.
    - The briefing note discusses a preferred option being chosen and the need to contact impacted property owners. It does not identify any risks associated with the route being discussed in the note. It does not request that the CAO review the attachments to the briefing note, or identify any key information that the Department would want the CAO to review in the attachments.

- The briefing note does not identify that the route being discussed will impact a different set of property owners than those that were implied to be impacted from the January 2016 Open House materials. Rather, the briefing note contains a material misstatement about what was presented at the open house, and who was informed about the impacts of the route being discussed in the briefing note by stating, "On January 19, 2016, a second open house was conducted to display conceptual and functional options for both William R. Clement Parkway and Sterling Lyon Parkway realignment. Possible property impacts for all options were presented" (emphasis ours). The term "functional" implies that the routes presented at the Open House gave an accurate portrayal of where the streets would be located for each option, rather than being solely "conceptual" (implying the route could be adjusted). The briefing note does not identify that the route that the note is discussing had been modified from the routes presented at the Open House.
- The briefing note does not give any indication that the project planning process is going other than intended.

- The CAO responded on April 18, 2017 via email to the briefing note's recommendation by advising the Department to proceed with the project's public engagement plan, as the public had yet to see the conceptual plans and discussions still had to be scheduled with property owners in advance of the final Public Open House.
- Public comments by the CAO showed concern for the fact that the risks associated with the refined route were not highlighted in the briefing note, and the fact that a new set of impacted property owners along the refined route, were not communicated with. Revising the briefing note template to provide more guidance on what the CAO considers to be of sufficient risk to be discussed in a briefing note can help improve the communication of significant risks in future briefing note submissions. Examples of guidance could include a financial threshold, and any issue that could have a material impact on citizens. We believe the possibility of property expropriation would meet the threshold for material citizen impact.

RECOMMENDATION 7			
We recommend that the briefing note template be reviewed and revised by the Chief Administrative Officer to provide more detailed guidance on the types of risks that should be noted in briefing notes and that part of that guidance include risk associated with significant changes in groups of impacted citizens.			
RISK AREA	Management Process	**ASSESSMENT**	Moderate
BASIS OF ASSESSMENT	Appropriate disclosures including risk identification are critical for an effective decision-making process.		
MANAGEMENT RESPONSE			
Agree. The Office of the Chief Administrative Officer will review and revise the briefing note template to provide more detailed guidance on the types of risks that should be noted.			
IMPLEMENTATION DATE	Q3 2018		

3.4 Public Engagement

Issue

- Did the City provide sufficient public engagement guidance to the project team, and did the WRCP / SLP project follow an appropriate public engagement process that fairly engaged and communicated with citizens?

Conclusions

- The public engagement process proposed by WSP in their bid submission met the requirements defined by the City. The defined process appeared appropriate for the project. However, the City should identify when public engagement should be part of a project, and should develop a minimum set of communications, activities and events that should occur for different types of capital projects, and for the desired level of public participation.
- The City should also enhance the guidance within the Project Management Manual to discuss when and how to incorporate public feedback in the decision-making process and to inform citizens of how their input will be included. Appropriate guidance should also be developed to limit the use of technical terms in public engagement materials.
- Clarifying and documenting the roles and responsibilities of Corporate Communications and the Office of Public Engagement and the review process for public engagement materials will ensure all relevant staff have a consistent understanding.

Analysis

- The WRCP / SLP project was a technical engineering study, but required a comprehensive and well-communicated set of public engagement activities to gather public input. This section will evaluate the following aspects of the public engagement process:
  - Was the defined public engagement process appropriate for the project?
  - How was public input used in the decision-making process, and was that communicated to citizens?
  - Does the City have a formal review process for public engagement materials?
  - Were the materials presented to the public easy to understand?
  - Was a potential conflict of interest identified and mitigated?

Public Engagement Guidance

- Our analysis of the public engagement process for the project is based on publications from the International Association for Public Participation (IAP2). This association seeks to promote and improve the practice of public participation / public engagement in all types of entities, including government.
- The Government Finance Officers' Association "Communicating Capital Improvement Strategies" best practice states that "public participation and stakeholder involvement during the planning, design, and construction of capital projects is extremely important." The document goes on to recommend that organizations develop a communications plan for public participation focused on explaining capital needs, options, and strategies and facilitating feedback in advance of any major capital program.
- We also referred to the City of Winnipeg Project Management Manual (PMM) for further information and guidance on the City's expectations of the public engagement process. The PMM was published in 2015, after the project had already been tendered and awarded.

- The PMM currently provides very limited guidance to project managers on public engagement activities. The sections on “How to do Public Engagement” and “Public Engagement Procedures” are still under development as of the time of this report.
- We did find a copy of guidelines for public engagement activities that appeared to have been developed in 2015. Through discussions with the Director of Customer Service and Communications and the Manager of Public Engagement, both were aware of the document, but were prioritizing the development of new guidance that they felt would better meet the needs of the City.
- The City of Winnipeg’s Office of Public Engagement (OPE) was created at the beginning of 2016. Shortly thereafter, corporate communications and public engagement were divided with each reporting to the Director of Customer Service and Communications. The roles and responsibilities of the OPE continued to be defined and formalized over the course of the project.

Appropriateness of the Public Engagement Process

- Our evaluation of the public engagement process was based on the guidance identified above that is in place for City staff and consultants.
- The IAP2’s publications provide an overview of the public engagement process and required competencies, which are described as the essential capabilities for a public participation professional to effectively design, implement and evaluate public participation programs. The five competencies include: Process Planning and Application Skills, Event Planning and Implementation Skills, Appropriate Use of P2 Techniques, P2 Communication Skills, and P2 People Skills.
- The IAP2 defines a spectrum to which a public participation program will fall within: Inform, Consult, Involve, Collaborate, Empower.
- Clause D5.2(c) of the RFP for the project required bidders to, "Design and implement a logical and transparent Public Consultation Program to insure appropriate input from, and communications with the community and other stakeholders. Reference should be made to the publications of the International Association for Public Participation (IAP2) in developing the public engagement process." This left considerable leeway for bidders on the design of the public engagement aspects for the project.
- The proposal submitted by WSP detailed a three-stage public engagement process:
  - Stage One – activities will include stakeholder meetings and a Public Information Display Session. The focus is on sharing information on the need and importance of the project, collect local information from key agencies, local residents and businesses, and identify solutions to any issues raised.
  - Stage Two – activities include additional stakeholder meetings and an Open House. Focus is on sharing the conceptual functional design options and show how the information collected was used in the recommended design. It was noted there is still an opportunity to obtain feedback that would be useful in tweaking required components.
  - Stage Three – activity is a final Open House. The focus is to show the various details of the recommended design and to illustrate how input previously received aided in further refinements.
- The WSP bid submission indicated that their planners are registered members of IAP2, and they would incorporate IAP2's code of ethics, core values, and best practices for public engagement.
- In reviewing the PMM and other guidance provided to project managers of large capital projects, we identified that there are no defined criteria to determine when a public engagement program should be developed as part of a project, or what public

engagement activities should be considered or included in the public engagement program. The development of any public engagement program is left to the consultant on the project with limited input and guidance depending on what is put in the RFP or submitted through a bid proposal.

- Public engagement activities can cover a broad spectrum including the development of websites, the use of various social media platforms, the creation of online surveys, and the scheduling of formal community events. The number and type of activities selected and the level of time and resources required to develop and support each activity adds cost to a project. While public engagement activities can be very valuable for some projects, the associated costs can vary considerably. With cost often being a significant factor in the selection of a winning bid, proponents are challenged to include their best guess of what the client expects without automatically pricing themselves out of the competition.
- The public engagement process proposed by WSP in their bid submission met the requirements defined in the RFP. The defined process appeared appropriate for the project. Due to circumstances beyond the control of the consultant, the planned second open house and third set of surveys and comment sheets were not conducted.
- For future projects that will incorporate public engagement activities, the City should define a minimum set of activities, communications and events to provide guidance to City staff and potential consultants. Setting clear expectations for public engagement will provide project managers with the necessary items to include in an RFP and will also provide bidders with the necessary information for costing out their bid.

RECOMMENDATION 8			
The Chief Administrative Officer should ensure that appropriate guidance is included in the Project Management Manual that would identify when public engagement should be part of a project and develop a minimum set of communications, activities and events that should occur for a capital project. This set of communications, activities and events should be adjusted to reflect the size and sensitivity of the project.			
RISK AREA	Management Process	**ASSESSMENT**	High
BASIS OF ASSESSMENT	Public engagement activities can be a valuable source of information for the City but also serve to inform citizens of projects that may affect them and their communities.		
MANAGEMENT RESPONSE			
Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard that will identify when public engagement should be part of a project. The standard will include appropriate guidance and criteria and a minimum set of communications, activities, events and options for incorporating public feedback. It will also provide guidance on how to communicate with the public on how feedback will be used in the decision making process. The Project Management Manual will be revised to reference the policy and the administrative standard.			
IMPLEMENTATION DATE	Q3 2019		

The Role of the Public in the Decision-Making Process

- IAP2 Core Values for the Practice of Public Participation include the following key statements:
  - Public participation is based on the belief that those who are affected by a decision have a right to be involved in the decision-making process.
  - Public participation includes the promise that the public's contribution will influence the decision.
  - Public participation seeks out and facilitates the involvement of those potentially affected by or interested in a decision.
  - Public participation seeks input from participants in designing how they participate.
  - Public participation provides participants with the information they need to participate in a meaningful way.
  - Public participation communicates to participants how their input affected the decision.
- The Public Information Display Session (PIDS) held on March 19, 2015 had approximately 300 attendees, of which 153 returned a comment sheet. The feedback showed 42% of individuals who submitted a comment sheet responded that they felt the information presented was not adequate. An online survey was also available, and a further 60% provided a similar response.
- On January 16, 2016, the first Public Open House was held where approximately 400 people attended, and 108 comment sheets were submitted. Similar to the PIDS, 37.5% of individuals at the Open House who submitted a paper comment sheet felt that the open house boards did not provide adequate information on the project.
- WSP provided two reports to the City summarizing the public engagement activities related to the PIDS and the Open House. The reports detailed comments received on the project and summarized what was heard at the initial public engagement events including summaries of the comments received from the public and responses from the survey ranking each option presented.
- Summaries were also posted on the project website; however, the website did not indicate how the information would be factored into developing the preferred route.
- When the east-west alignment options were presented at the first Open House, the information included evaluation criteria. It was identified that the options presented would be evaluated based on the following criteria: safety, property, pedestrian and cycling facilities, area impacts, drainage, rail impacts, utilities, ease of construction and staging, and costs. Public input was not included as one of the evaluation criteria.
- Through the use of comment sheets at the Open House, respondents were asked to rank the three conceptual options for the proposed east-west alignment from most preferred to least preferred. The Conceptual Option #1: Wilkes Avenue alignment ranked the highest as the preferred option with 49.35% of respondents ranking it their first choice. The comment sheet was also available on line where 52.35% of respondents ranked Conceptual Option #1 as their first choice. There was no information provided on the form as to why this information was being gathered, what would be done with the information or how it would be used in determining the preferred route.
- By not clearly defining how the information received from the public would be used in the decision making process, this may have led to the expectation that the majority vote from the Open House would have determined the identification of the final route. An average citizen could have concluded that the above identified criteria of safety, drainage, cost, etc. would then be applied to their selected route.
- It is important to note that while the needs and preferences of the immediate residents are important in the decision-making process, they also need to be properly balanced

against the needs of the overall public and City. This project has impacts both now and on future planning for growth and movement of people and goods.

- Once the preferred option was selected by the project team and then refined, we did not identify any communication to the public that discussed how public feedback received through the stakeholder meetings, PIDS and the Open House, was used in the decision making process.
- Several members of the project management team did explain that feedback was incorporated into the selection and refinement of the preferred route after the public engagement sessions; however, there was no documentation to support this.
- When the City seeks to utilize a public engagement process in support of a particular project, there should be a clear definition of how that input will be used in the decision-making process. Options could include using the public ranking as a weighted criterion or simply collecting the comments for general information that would be considered in the development of the project. When it is determined what is appropriate for a specific project, it is essential that this is clearly communicated with the public.
- As mentioned previously, the IAP2 guidance includes a spectrum to define the public's role in any public participation process. This range includes: Inform, Consult, Involve, Collaborate and Empower. The communication to and level of involvement of the public in the decision-making process increases as you move up the spectrum.
- We were not provided evidence to suggest which level of public participation was considered in developing the public engagement strategy. Based on the information we were provided related to the PIDS and Open House materials, the techniques used to gather information from the public and the documentation to support how that input would be used, it appears the public engagement program for this project would have been to inform and consult. The goal of public participation at the Consult level is to "To obtain public feedback on analysis, alternatives and/or decisions with a promise to the public to keep them informed, listen to and acknowledge concerns and aspirations, and provide feedback on how public input influenced the decision."

RECOMMENDATION 9			
The Chief Administrative Officer should direct the Office of Public Engagement to develop guidance and criteria for the Project Management Manual that discuss the requirement to document the process for incorporating public feedback and input received through public engagement activities in the decision making process for capital projects. The process for incorporating feedback may cover a broad spectrum and should be tailored to the type of project.			
RISK AREA	Management Process	**ASSESSMENT**	Moderate
BASIS OF ASSESSMENT	Clear and consistent communication of public engagement activities is essential for project managers to understand all of their responsibilities.		
MANAGEMENT RESPONSE			
Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard that will identify when public engagement should be part of a project. The standard will include appropriate guidance and criteria and a minimum set of communications, activities, events and options for incorporating public feedback. It will also provide guidance on how to communicate with			

the public on how feedback will be used in the decision making process. The Project Management Manual will be revised to reference the policy and the administrative standard.	
IMPLEMENTATION DATE	Q3 2019

RECOMMENDATION 10			
The Chief Administrative Officer should direct the Office of Public Engagement to develop guidance for the Project Management Manual which discuss the requirement to communicate to the public how feedback obtained through public engagement activities will be and was used in the decision making process.			
RISK AREA	Management Process	**ASSESSMENT**	Moderate
BASIS OF ASSESSMENT	Clear and consistent communication of public engagement activities is essential for project managers to understand all of their responsibilities.		
MANAGEMENT RESPONSE			
Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard that will identify when public engagement should be part of a project. The standard will include appropriate guidance and criteria and a minimum set of communications, activities, events and options for incorporating public feedback. It will also provide guidance on how to communicate with the public on how feedback will be used in the decision making process. The Project Management Manual will be revised to reference the policy and the administrative standard.			
IMPLEMENTATION DATE	Q3 2019		

Review process for public engagement materials

- Several groups participated in the development and review of public engagement materials. For this project they included: WSP, Public Works, Corporate Communications, Office of Public Engagement, the area Councillor and the Mayor's Office. The Mayor's Office is provided the information as a courtesy for awareness purposes of upcoming events.
- Despite the number of groups involved, we identified that there was no formalized process for the review and approval of materials. An informal process was in place recommended by Corporate Communications which at least ensured that all parties had an opportunity for review and comment.
- Formalizing the process with clearly defined roles and responsibilities will ensure consistent involvement of each party at an appropriate time, ensure high quality material is developed for the public, help to minimize project delays related to the public engagement material development and communication, and provide a clear understanding of the process across all departments involved.

RECOMMENDATION 11			
The Chief Administrative Officer should ensure the roles and responsibilities of Corporate Communications and of the Office of Public Engagement are formalized, documented and communicated to all departments.			
RISK AREA	Management Process	**ASSESSMENT**	Medium
BASIS OF ASSESSMENT	Clarifying roles and responsibilities helps to ensure that the correct people are involved at the correct time to provide necessary review and input before finalization of a deliverable.		
MANAGEMENT RESPONSE			
Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard. The standard will document the roles and responsibilities of the Office of Public Engagement in the Customer Services and Communications Department. Once approved by the Chief Administrative Officer, the administrative standard and the Council adopted policy will be communicated to all departments.			
IMPLEMENTATION DATE	Q3 2019		

RECOMMENDATION 12			
The Chief Administrative Officer should direct the Office of Public Engagement to develop guidance in the Project Management Manual to define the approval process for public engagement materials.			
RISK AREA	Management Process	**ASSESSMENT**	Medium
BASIS OF ASSESSMENT	Clarifying roles and responsibilities helps to ensure that the correct people are involved at the correct time to provide necessary review and input before finalization of a deliverable.		
MANAGEMENT RESPONSE			
Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard. The standard will define the approval process for public engagement materials. Once approved by the Chief Administrative Officer, the administrative standard and the Council adopted policy will be communicated to all departments. Further, the Project Management Manual will be revised to reference the policy and the administrative standard.			
IMPLEMENTATION DATE	Q3 2019		

Communicate technical information in lay terms

- In reviewing the information that was presented to the public, and assessing the information against IAP2 core competency 4.6 – Communicate technical information in lay terms – we identified a number of terms used in the presentations that were not defined or clearly explained as to what that terms meant.
- Information presented at the PIDS and Open House was presented in PowerPoint presentations. While the information presented may have been appropriately explained by the presenters in the Open House, the information in the presentations was also posted on the public website. Those who did not attend the session would not have had the benefit of the additional explanation, and would miss context for the information.
- The language in the PowerPoint slides used engineering terms such as "conceptual", "functional design", and "preliminary design". These are technical terms. Specific examples from both the PIDS and the Open House slides include:
    - "Conduct a high-level *functional* design from Grant Ave. to McGillivray Blvd."
    - "Conduct a more-detailed *preliminary* design from Grant Ave. to Wilkes Ave."
    - "Incorporate *grade separation* of WRCP Extension at the *CN Main Line* (North of Existing Wilkes Ave."
    - "Develop *alignment* options for an *east-west connection* south of the CN Main Line"
    - "*Conceptual* east-west alignment options"
- The three options for the east-west alignment were presented as being "conceptual"; but the routes were presented by clear lines drawn on the maps. This may have led to misunderstandings that the lines presented on the maps were the final routes that were being considered. When the preferred route submitted in the Environmental Assessment Process deviated from the route presented as "Option 2: Conceptual Sterling Lyon Parkway North Alignment", many people held the opinion that the deviations were large enough to qualify as a completely new route that had not been presented to the public.
- The intent of WSP and the City was to present the three options as preliminary estimates of where the east-west alignment could go, and to then refine the route based on the evaluation criteria presented at the Open House.
- We interviewed several non-engineers as part of this audit. These individuals are typically not familiar with this type of engineering terminology, and most did not know that the term "conceptual" could mean that the final defined route line could change significantly from the presented design.
- Conversely, interviews conducted with several engineers illustrated that they clearly understood what was meant by using the term "conceptual". They communicated to us that the term "conceptual" was intended to inform the public that this was a general path and would be further adjusted as the project planning progressed. Generally, they felt that the final preferred east-west route was only a refinement of what was presented as Conceptual Option 2: Sterling Lyon Parkway North Alignment. **Appendix 9** includes a map overlay which highlights the differences between the Conceptual Option 2: Sterling Lyon North and the refined route.
- While the engineers on the project indicated the route would be refined, there is no indication of this when reviewing the language that was used to present the options in the presentations other than the word "conceptual". The options were presented as "There are three proposed options for the east-west alignment to the WRCP extension" and "The alignment options will be evaluated based on the following criteria."

RECOMMENDATION 13			
The Chief Administrative Officer should develop appropriate guidance for the Project Management Manual to advise staff against the use of technical terms in public engagement materials. When determined to be necessary, then additional definitions should be included to ensure an understanding by individuals of various technical and language abilities.			
RISK AREA	Management Process	**ASSESSMENT**	Moderate
BASIS OF ASSESSMENT	The language used to communicate with the public must be easily understood by individuals of different technical backgrounds and for individuals whose first language may not be English.		
MANAGEMENT RESPONSE			
Agree. The Corporate Communications division within the Customer Service and Communications Department will be developing a Style Guide for the City of Winnipeg which will provide departments with quick reference to the City's writing guidelines and writing styles. It will help guide employees who are disseminating information on behalf of their Department to improve clarity, encourage the use of plain language, and create consistency across all Departments in the City.			
IMPLEMENTATION DATE	Q3 2019		

Neutral public engagement facilitator

- Due care must always be taken in any activities involving a government body. Even a perceived conflict of interest in the public engagement process can damage credibility of the process, and ultimately break public trust in the process.
- Included in the contract for this project, WSP was responsible for developing and implementing a logical and transparent public consultation program. In the proposal submitted by WSP, a detailed public engagement program was provided which would be led by individuals from WSP who are registered members of the IAP2 association.
- Through the course of our audit work we identified that the project team from the consulting firm included an individual on the board of the Urban Development Institute of Manitoba (UDI), which is an organization that consists of a broad cross section of commercial, industrial and residential developers and associated professionals.
- We have <u>not</u> identified any information that would suggest that there was an actual conflict of interest or that WSP did not act in good faith and conduct all activities in a professional manner. Within a smaller business community like Winnipeg there are opportunities to participate with various organizations on both a personal and professional level. When those activities could lead to the identification of at least a perceived potential conflict of interest, then appropriate safeguards must be considered within the firm to both acknowledge and communicate how the issue will be addressed.
- The IAP2 core competencies also consider such a scenario and include guidance for when a neutral facilitator should be engaged.
- The public engagement process is meant to represent public interests, including those of local residents who may not have the same interest in increasing area densities that developers may have.
- In sensitive projects such as this even a perceived conflict of interest can undermine the credibility of the public engagement process, and ultimately break the public trust in the fairness of the decision-making process.

RECOMMENDATION 14			
The Chief Administrative Officer should direct the Office of Public Engagement to develop criteria for determining when a neutral facilitator would be appropriate for public engagement on a project, and include the criteria in the Project Management Manual guidance.			
RISK AREA	Management Process	**ASSESSMENT**	Moderate
BASIS OF ASSESSMENT	Ensuring an independent and objective group lead the public engagement activities is necessary to maintain public trust in the process.		
MANAGEMENT RESPONSE			
Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard. The standard will provide criteria for when a neutral facilitator would be appropriate for public engagement on a project. Once approved by the Chief Administrative Officer, the administrative standard and the Council adopted policy will be communicated to all departments. Further, the Project Management Manual will be revised to reference the policy and the administrative standard.			
IMPLEMENTATION DATE	Q3 2019		

3.5 Project Communications

Issue

- Did public communications on the project adequately communicate the potential extension of the Sterling Lyon Parkway as part of the project scope?

Conclusions

- Public communications were vastly inconsistent on the potential extension of Sterling Lyon Parkway as part of the project, and the impact that this component would have on the South Wilkes community. We believe the inconsistency in communication was a major contributor to the visceral reaction of the community when the final recommended route became public knowledge, and that the impact of potential residential expropriations must be given more consideration in future project communication planning and decisions.

Analysis

- The table below outlines whether the potential Sterling Lyon Parkway extension was identified in public documents and communications for the project. Our observations on the inclusion or exclusion of the SLP component are discussed after the table.

Document	Date Released	SLP ID'd?
South Wilkes Secondary Plan By-law	September 21, 1994	Yes
Plan Winnipeg: 20/20 Vision (Plate C – Transportation Policy Map)	December 12, 2001	No
Sustainable Transportation Secondary Plan By-law	July 21, 2011	No
Transportation Master Plan	November 16, 2011	No
WRCP Extension Capital Budget Submission	December 17, 2013	No
Request for Proposal 732-2014 for design work for project	September 8, 2014	Yes
WRCP Extension Capital Budget Amendment Request (see observations below)	December 10, 2014	No
WRCP Extension Project website launch	March 5, 2015	No
News release for Public Information Display Session	March 11, 2015	No
Newsletter for Public Information Display Session	March 11, 2015	No
Newspaper advertisements for Public Information Display Session	March 11, 2015	No
Presentation storyboards for Public Information Display Session	March 19, 2015	No
News release for Open House #1	January 5, 2016	No
Newsletter (Flyer) for Open House #1	January 5, 2016	No
Newspaper advertisements for Open House #1	January 5, 2016	No
Project website update for Open House #1 (see observations below)	January 5, 2016	No
Presentation storyboards for Open House #1	January 19, 2016	Yes
Project website update to include reference to SLP extension	October 5, 2016	Yes
Briefing note to CAO to resume public engagement activities (see observations)	November 28, 2016	Yes
Letters to impacted landowners	September 2017	Yes
Presentation storyboards for impacted landowner meetings	October 2-5, 2017	Yes

- The table above identifies public communications that identified the potential extension of Sterling Lyon Parkway as part of the project. It does not give consideration to which specific route is identified. We also make the following observations on the communications in the table:
    - The intent to have Sterling Lyon Parkway replace Wilkes Avenue was identified in the 1994 Wilkes South Secondary Plan By-law, but the alignment for the SLP extension was not firmly set. We have observed that neighbourhood secondary plan by-laws usually include firm alignment drawings for future major roadways.
    - The intent to determine the optimal alignment for an arterial east-west roadway, whether that was to be Wilkes Avenue, or a new roadway, was stated in the RFP

for the preliminary design work for the project. This would have been the most opportune time to change the title of the project in all subsequent communications to fully communicate the scope of the project.

- We have stated that the capital budget amendment request of 2014 did not communicate the potential extension of SLP. The body of the report did contain language to identify potential improvements to Wilkes Avenue or development of a new east-west roadway, but we do not believe that it identified this scope change in a way that would be understandable to the intended audience for the report. The project title was not changed in the report; the recommendations did not identify the creation of a major east-west roadway as a part of the project objectives; and the reference to the new east-west roadway on the second page of the report states in engineering terminology, "To determine and rationalize the costing and infrastructure sequencing requirements to extend the William R. Clement Parkway and determine the alignment, and connection to an east-west arterial south of the CN Rivers mainline through an engineering study that is transparent to the public and the elected officials." In our opinion this paragraph is not phrased in a way that is easily understood by non-engineers.
- None of the advertisement materials for the public information display session and the open house identified the potential SLP extension. This did not appropriately communicate to the residents of Wilkes South that they should attend the sessions because of the potential SLP impact.
- The project website was updated to notify the public of the first open house, and included a statement that developing "alignment options for an east-west connection south of the CN Mainline" was a part of the study scope. Similar to our observations on the capital budget amendment request, we do not believe that this language was sufficient to communicate to a non-engineer that extending SLP through the residential community was a possibility for the project.
- The storyboards from the March 2015 public information display session stated that "twinning Wilkes" and developing "alternatives for the WRCP Extension connection to Wilkes Ave." were part of the project scope. From the information provided to us, the presentation storyboards for Open House #1 were the first to identify potential SLP options in public engagement materials.
- The first public communication that was widely available that discussed extending Sterling Lyon Parkway through the residential neighbourhood in Wilkes South was when the project website was updated on October 5, 2016 to include reference to SLP in the project title. This was after both of the public engagement sessions.

RECOMMENDATION			
No recommendation accompanies this analysis.			
RISK AREA	Management Process	**ASSESSMENT**	High
BASIS OF ASSESSMENT	A formal review process assists in ensuring that major components of capital projects, or components that have the potential for material impacts on citizens, are appropriately considered and included in public engagement communication materials and other public documents.		

3.6 Project Expenditures

Issue

- Were project expenditures properly authorized, approved, within budget, and did they follow established City processes?

Conclusions

- Capital expenditures for the project were properly authorized, approved, within budget, and followed established City processes from the initiation of the project to December 13, 2017, the point when the project was put on hold.

Analysis

- We audited the capital expenditures of the project from its initiation, which we define as the point in time when costs were specifically incurred for the construction of the infrastructure, to December 13, 2017, the date on which Council adopted the motion to stop any planning on the east-west roadway until the secondary plan for South Wilkes can be revised, and the point at which the project was put on hold. Our review of subsequent documentation that would confirm whether capital expenditures had been incurred for the project extended to May 4, 2018, the last day of fieldwork for our audit.
- Under generally accepted accounting principles, capital expenditures include all costs that are directly attributable to the acquisition, construction, development or betterment of a tangible capital asset (the roadways and associated works for this project). Costs that have not specifically been incurred for the project are not included in the costs reported. An example of costs not included is the cost of general area studies, which determine overall plans for neighbourhood development. These costs are indirect and there would be no objective way of allocating a portion of the costs to study the neighbourhood as a whole to the individual capital projects identified in the study.
- Procurement of consultants followed established City processes, and followed a competitive bidding process.
- Change orders appeared to be reasonable based on our examination of supporting documentation.
- Land purchases for the project were made under the appropriate authority, and were within approved budget.
- Our audit of the capital expenditures was completed in accordance with *Government Auditing Standards*. Schedule I outlines the timeline, authorizations, size (dollar amount) and scope (description) for the expenditures. Some details have been noted as confidential in the schedule to maintain compliance with the City's In-Camera By-law.

Schedule I

Categories	Description	Date of Purchase	Authorization	Purchase Approval	Cost Amount	Approved for Budget
Preliminary Design Study Costs						
Preliminary Design Study	Contract progress payments	16-Dec-14 to 19-Apr-18	Council	Project Manager	$ 1,368,738	$ 1,600,000
Change Orders						
#1	Schedule adjustments	23-Mar-15		Project Manager	4,750	
#2	Additional Stakeholder meetings	22-Apr-15		Project Manager	13,950	
#3	Schedule delays	20-Nov-15		Project Manager	4,500	
#4	Additional property owner meetings	10-Feb-16		Project Manager	38,250	
#5	Schedule delays	18-Jul-17		Project Manager	13,400	
#6	Additional option development	31-Oct-17		Project Manager	13,200	
Overhead & Other	City Overheads	18-Jul-14 to 19-Apr-18		Project Manager	100,310	
Advertising	Publication displays	16-Dec-14 to 19-Apr-18		Project Manager	7,172	
				Subtotal	$ 1,564,270	$ 1,600,000
Land Purchases (Note 1)						
Land Purchase #1	Confidential	21-Aug-96	SPC of Finance	PP&D	Confidential	Confidential
Land Purchase #2	Confidential	12-Aug-13	SPC on IRPW	PP&D	Confidential	Confidential
Land Purchase #3/4	Confidential	16-Oct-15	Council	PP&D	Confidential	Confidential
				Subtotal	$ 282,000	$ 370,000
				Total Costs	**$ 1,846,270**	**$ 1,970,000**

Note 1

Confidential information can be accessed through in-camera meeting minutes by authorized individuals. Public disclosure in our report could prejudice future contractual or other negotiations carried on for or by the City of Winnipeg.

RECOMMENDATION			
No recommendation accompanies this analysis.			
RISK AREA	Financial Resources	**ASSESSMENT**	Low
BASIS OF ASSESSMENT	The City has well established procedures for budget approval, authorization of expenses, procurement, land purchases, and for reporting over-expenditures on projects. The likelihood that over-expenditures beyond the delegated expenditure authority of the Public Service would be incurred without being reported to Council is low.		

3.7 Work Performed by the Consultant

Issue

- Did the work performed by the consultant meet the terms of the consultant's agreement with the City?

Conclusions

- WSP met the terms outlined in the request for proposal until the point that the project was put on hold on December 13, 2017 and work on the project ceased. WSP received its direction from the Project Managers assigned to the project.

Analysis

Major Components of the Work

- MMM Group Limited (which later became WSP) was awarded a contract with the City on December 16, 2014 to perform the following main components of the William R. Clement Parkway Extension Project (later titled as the William R. Clement Parkway and Sterling Lyon Parkway Extensions Project):
    - Complete the preliminary design work to extend the William R. Clement Parkway from Grant Avenue to Wilkes Avenue and a new east-west arterial roadway on either the Wilkes Avenue alignment or a new alignment south of Wilkes Avenue.
    - Complete the functional design work to extend the William R. Clement Parkway from Wilkes Avenue (or the new east-west roadway) to McGillivray Boulevard.
    - Design and perform a public consultation program for the project with reference to IAP2 publications.
    - Perform an environmental assessment and obtain an Environmental Act license for the project.

Current Status of the Project

- The project was put on hold on December 13, 2017, after Council adopted a motion that any planning and design of a future roadway for the east/west connection of the WRCP extension project be included in the Precinct Plan for the South Wilkes area. The Public Service is currently examining how to proceed on the extension of the WRCP from Grant to the Ridgewood Corridor, and is leaving further extension efforts until the new South Wilkes Precinct Plan is passed.
- The Public Works Department has therefore indicated that the review of the draft design report submitted by WSP on November 10, 2016 will be completed and comments noted to file only related to the William R. Clement Parkway from Grant Avenue to the Ridgewood Corridor.A review of the remainder of the study will be undertaken after an east-west roadway is approved in the updated Precinct Plan.
- In our opinion, the requirements and deliverables of the contract and the subsequent change orders for the project have been met by WSP to the point when the project was put on hold. We have included our observations on the performance of the public engagement activities in relation to the guidance of the International Association for Public Participation in Section 3.4 of our report. With the exception of these observations, we believe that WSP has provided, or was in the process of developing, the main deliverables of the contract before the project halted.

Direction provided to WSP

- We were informed by WSP and staff from the Public Works Department that WSP took all direction for work from the City's Project Managers. The documents that we reviewed for our audit supported this statement. We have not reviewed any documents that would show that WSP received direction from anyone at the City other than the Project Managers assigned to the project.

Design Work

- The RFP required WSP to provide preliminary design work for:
  - An extension between Grant Avenue and Wilkes Avenue with a grade separation (overpass or underpass) at the CN main rail line
  - Development of alternatives for an east west arterial road way from Sterling Lyon Parkway to Charleswood Road
- And functional design work for:
  - An extension of WRCP between Wilkes (or new east-west road) and McGillivray
- WSP completed and submitted a draft study report to the City on November 10, 2016.
- Review of the report by the Technical Steering Committee is being completed for the portion of WRCP from Grant to the Ridgewood Corridor. All other review is currently pending until the east-west arterial roadway is approved in an updated South Wilkes Precinct Plan.

Public Engagement

- The RFP required WSP to design and perform a public consultation process for this project.
- The public consultation activities followed the process designed by WSP in consultation with the City. Public engagement included stakeholder meetings, a public information display session, a public open house to present design options, and several meetings with impacted landowners. A final open house was tentatively scheduled for November 28, 2017, but was cancelled after receiving local resident concerns from the landowner meetings.
- The public engagement process was put on hold part way through meetings with impacted landowners, and the project was put on hold in December 13, 2017.
- We have evaluated the public engagement process in Section 3.4 of our report.

Environmental License Application

- The RFP required WSP to complete an Environmental Assessment, and obtain a license under *The Environmental Act* for the project.
- On July 12, 2017, the Project Manager set a new deadline for WSP to complete all project deliverables by January 2018. This included obtaining the environmental license.
- WSP informed us that a schedule was calculated to factor in the amount of time it typically takes to obtain a license through the application process, and determined that the Environmental License application needed to be submitted by the end of July to achieve the January 2018 deadline for completion. (A licensing decision can be made within 2 to 4 months of date of application but could require an additional minimum of 4 months if a public hearing process is deemed necessary by the Minister.) WSP then finalized the application, informed the Project Manager that the application process would be initiated again, and hand delivered the application to the province on July 27, 2017 with notification to the Project Manager.
- We have analyzed the environmental assessment events in Section 3.8 of our report.

RECOMMENDATION			
No recommendation accompanies this analysis.			
RISK AREA	Management Process	**ASSESSMENT**	Medium
BASIS OF ASSESSMENT	The Public Service had experienced staff managing and overseeing the project. However, communications in the Public Works Department noted that the workload for the Transportation Division was much higher than normal, causing the project to be co-managed by the Engineering Division, which had excess capacity at the time. The continuity of project management was also affected when one of the Project Managers went on leave in March 2017. The increased coordination requirements, continuity break, and increased workload factors all increased the risk of project management errors occurring.		

3.8 Environmental Assessment Process

Issue

- Did the application for the environmental assessment follow established processes and receive City approval prior to submission to the Government of Manitoba?

Conclusions

- The City does not have documented guidance to support project management staff regarding the Environmental Assessment & Licensing process. Project delays resulted in a revised project close-out plan where the Environmental Assessment Proposal had to be submitted prior to landowner meetings and a second open house in order to meet the desired January 2018 completion date.

Analysis

- Several sections of RFP 732-2014 communicated to potential proponents that an environmental assessment is required under the scope of services. The work to be conducted by the consultant would include all tasks necessary for the preparation and support of an Environment Act Proposal (EAP) for submission to the Province of Manitoba and the obtainment of an Environmental Act License for this project.
- There was no specific guidance included in the RFP to inform bidders of when the EAP submission should occur. A review of the City's guidance on the capital planning process is also silent on the EAP process.
- The WSP bid submission reconfirmed the intent of the RFP that the preparation and submission of the EAP is the responsibility of the WSP team.
- By January 26, 2016, WSP communicates to the Steering Committee that they have completed draft versions of the EAP.
- At the March 17, 2016 Steering Committee meeting WSP relates that they contacted the Province of Manitoba and confirmed the planned approach was acceptable. WSP staff also cautions the team that the license application should only be filed if the City plans to proceed in the near future as the license is only valid for three years. The license could be extended to five or six years, however, after that a new application with new studies, would be required.
- According to the Environment Act roads of 4 lanes or more are to be considered a Class 3 project, so this made it a requirement to include the proposed route in the application. Information from Manitoba Conservation states that the decision on a Class 3 development is made by the Minister. Additional information states that a licensing decision can generally be made within 2 to 4 months if the proposal information is acceptable to the public, a Technical Advisory Committee and the Department. This process could be extended by an additional minimum of 4 months if a public hearing process is deemed necessary by the Minister.
- Draft versions of the EAP were circulated with City staff and they provided comment back to WSP.
- The City’s project manager signed off on the application on June 23, 2016. The EAP application is submitted by WSP, on behalf of the City, over a year later on July 27, 2017.
- WSP first notified the Public Works Department on July 13, 2017 of their intent to submit the EAP. Then on August 14, 2017, WSP updates staff in Public Works Department and Corporate Communications that the Province will not be able to start the review process until after August 21, 2017.

- On September 14, 2017, the City project manager advises the Acting Public Works Director that the drawings for the WRCP project had been posted on the province's website as part of the application for the Environmental License. They further advise that this information should not have been posted online until we had an opportunity to meet with impacted residents.
- WSP is requested to contact the Province and have the application removed from the website. The plans had been on the website for a while and an advertisement soliciting public comments was placed in the Winnipeg Free Press on September 2, 2017.
- Project delays are cited by the City project manager as a reason for the misstep in the process. The WSP bid submission identified a project start date of November 21, 2014 and project completion of March 22, 2016. The July 2017 EAP submission date confirms the original project schedule was no longer valid.
- The project had minimal activity from November 2016 until April 2017 when the CAO gave approval to re-start the project. The City project manager drafted up a close-out plan that was ultimately communicated to WSP with key milestones to complete the project. These milestones included:
    - City provision of comments on the draft Preliminary Design Report by end of August 2017.
    - Remaining stakeholder and landowner meeting by WSP Group in October 2017.
    - Final Open House early December 2017.
    - Submission of Final Engineering Report end of January.
- Notably the milestones and dates do not include guidance on the EAP. We were informed that WSP viewed January 2018 as their deadline and worked the date back for submission of the EAP. As previously mentioned, the EAP application process could be in the range of 2-4 months, thereby identifying a submission date between August and October 2017. This suggests that the City close out schedule drove the timeframe for submission of the EAP to be prior to the landowner meetings and another open house.
- Staff from Public Works acknowledged the scheduling misstep, submitting the EAP with the preferred route prior to affected landowner meetings, was a regrettable oversight.

RECOMMENDATION 15			
The Chief Administrative Officer should develop appropriate guidance to support project management staff regarding the timing for when an Environmental Assessment Proposal should be submitted for a project that is in an early planning phase such as a Functional Design Study phase.			
RISK AREA	Management Process	**ASSESSMENT**	Moderate
BASIS OF ASSESSMENT	Appropriate and comprehensive guidance for capital project management enables staff to deliver all phases of a project consistently and in line with City expectations.		
MANAGEMENT RESPONSE			
Agree. The Project Management Manual will be revised to include definitions of the various stages of a major capital project (e.g. conceptual study, functional design study, preliminary engineering design and detailed engineering design). Appropriate guidance on the timing for each phase of environmental assessments and timing of environmental assessment proposal submissions will be provided.			
IMPLEMENTATION DATE	Q1 2019		

APPENDIX 1 – Audit Methodology

MANDATE OF THE CITY AUDITOR

- The City Auditor is a statutory officer appointed by City Council under *The City of Winnipeg Charter*. The City Auditor is independent of the Public Service and reports directly to Executive Policy Committee, which serves as the City's Audit Committee.
- The City Auditor conducts examinations of the operations of the City and its affiliated bodies to assist Council in its governance role of ensuring the Public Service's accountability for the quality of stewardship over public funds and for the achievement of value for money in City operations.
- Once an audit report has been communicated to Council, it becomes a public document.

PROJECT RISK ANALYSIS

- Our audits are conducted using a risk-based methodology.
- We considered the following potential risks when assessing whether the corporate reporting process and the execution of the Sterling Lyon / William Clement Parkway Study to date.
    - Throughout the project were the appropriate individuals responsible for, identified and held accountable for, properly consulted on and informed on the status of the decision / task?
    - Did the internal project reporting adequately identify and communicate all relevant and timely information to decisions makers?
    - Did management communicate all relevant and timely project updates to the appropriate Committee of Council in accordance with established City processes?
    - Were project expenditures properly authorized, approved and within budget?
    - Did the engagement of consultants follow established City processes?
    - Was the consultant's scope and execution of work within the direction provided by City management?
    - Did the public engagement process meet approved standards and did it communicate a consistent message to participants?
    - Are the corporate training courses adequate to develop an individual's ability to identify relevant and timely information for communication to a decision maker?
- Individual audit area risk assessments are provided for each issue discussed. The assessments discuss and detail the residual risk for issues after considering the City's mitigating risk controls.

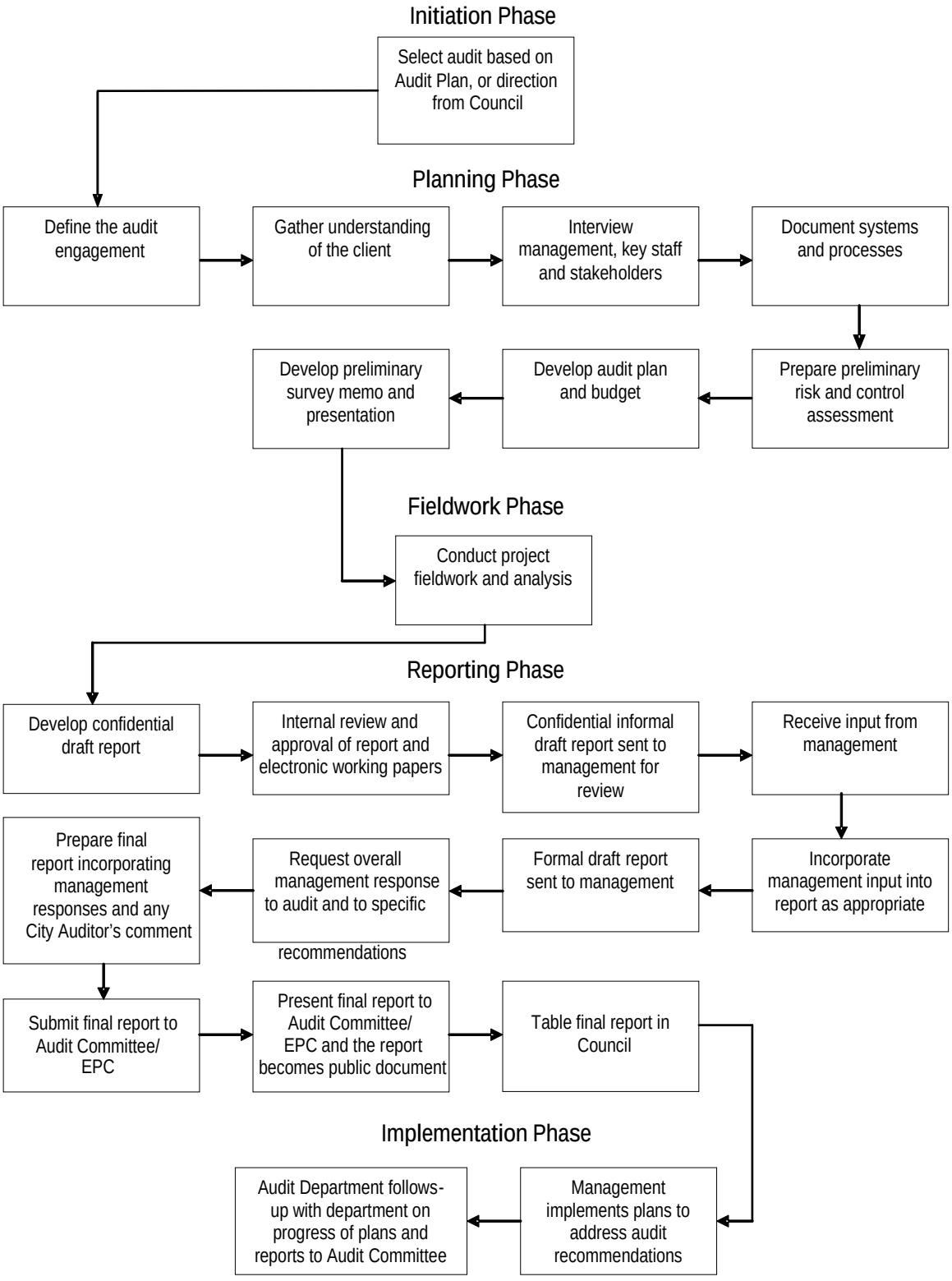
SCOPE

- The audit examined the project execution of the Sterling Lyon / William Clement Parkway Study from November 25, 2014 through to present.
- The audit also examined the corporate administrative reporting template, guidance and the availability of supporting training courses.
- A significant amount of information was compiled for this audit including approximately 40,700 results just from an email search. We undertook a risk-based approach to reviewing the information by limiting a detailed analysis to a combination of specific key events, timeframes and individuals.

APPROACH AND CRITERIA

- We conducted our audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient appropriate evidence to provide a reasonable basis for our observations and conclusions, based on our audit objectives. We believe the evidence we have obtained provides a reasonable basis for our observations and conclusions.
- We conducted interviews with elected officials, City management (both current and past) and consultants who worked on the project to gain a detailed understanding of the project. We also interviewed citizens to gain an understanding of project execution form their perspective.
- We identified a number of key City individuals and requested a keyword search of their Outlook email correspondence. This was facilitated through the City's Business Technology Services Division.
- We contracted with Deloitte LLP for assistance including representatives in the Discovery Group and Legal Project Solutions.
- We obtained and evaluated relevant project documentation including internal reporting, financial reporting and reporting to a Committee of Council.
- We reviewed the process to obtain external consultants along with the scope of work performed.
- We reviewed the materials and execution of the public engagement process.
- We researched the reporting templates, guidance and training offered in other Canadian jurisdictions.

APPENDIX 2 – Audit Process



APPENDIX 3 – Risk Assessment Worksheet

Potential Impacts / Likelihood	Insignificant - None or minor change in services, project or processes - Very limited exposure of sensitive information - Very minor, non-permanent environmental damage - Financial impact < $100K	Minor - Minor change in achievement of service objectives - Limited exposure of sensitive information - Minor, non-permanent environmental damage - Financial impact $100K – $500K	Moderate - Moderate change in delivery of essential services - Exposure of limited amount of confidential information - Moderate environmental damage - Financial impact $500K – $1M	Major - Significant change in delivery of essential services - Exposure of significant amount of confidential information - Significant change in quality of life indicators - Major environmental damage - Financial impact $1M – $10M	Extreme - Unable to perform essential services for extended period Exposure of critical confidential information - Very significant change in quality of life indicators - Significant damage to environment - Financial impact >$10M
Almost certain (Excepted to occur unless circumstances change)	M	M	H	C	C
Likely (Probably occur in most circumstances)	M	M	H	C	C
Possible (Might occur under different circumstances)	L	M	M	H	H
Unlikely (Could occur if circumstances change)	L	L	M	H	H
Rare (May occur in exceptional circumstances)	L	L	M	M	M

Legend

C Critical risk:	Requires urgent action, monitor and review at least weekly by Senior Management and COO, inform CAO and Committee of Council
H High risk:	High impact, monitor and review at least quarterly by management, inform COO
M Moderate risk:	Monitor and review at least quarterly by management
L Low risk:	Review periodically, no explicit action required.

APPENDIX 4 – Wilkes South Secondary Plan By-law

A prominent land use bordering the southeastern corner of the planning area is the Fort Whyte Nature Centre, a private, non-profit bird sanctuary and outdoor education centre. The nature centre provides an opportunity for Winnipeggers to observe the City's wildlife in and around lakes and woodlands reclaimed from the operations of an adjacent cement plant. While the Planning Department regards rural residential development as a compatible land use, encroaching urbanization is a concern expressed by representatives of the Fort Whyte Nature Centre.

Roadways

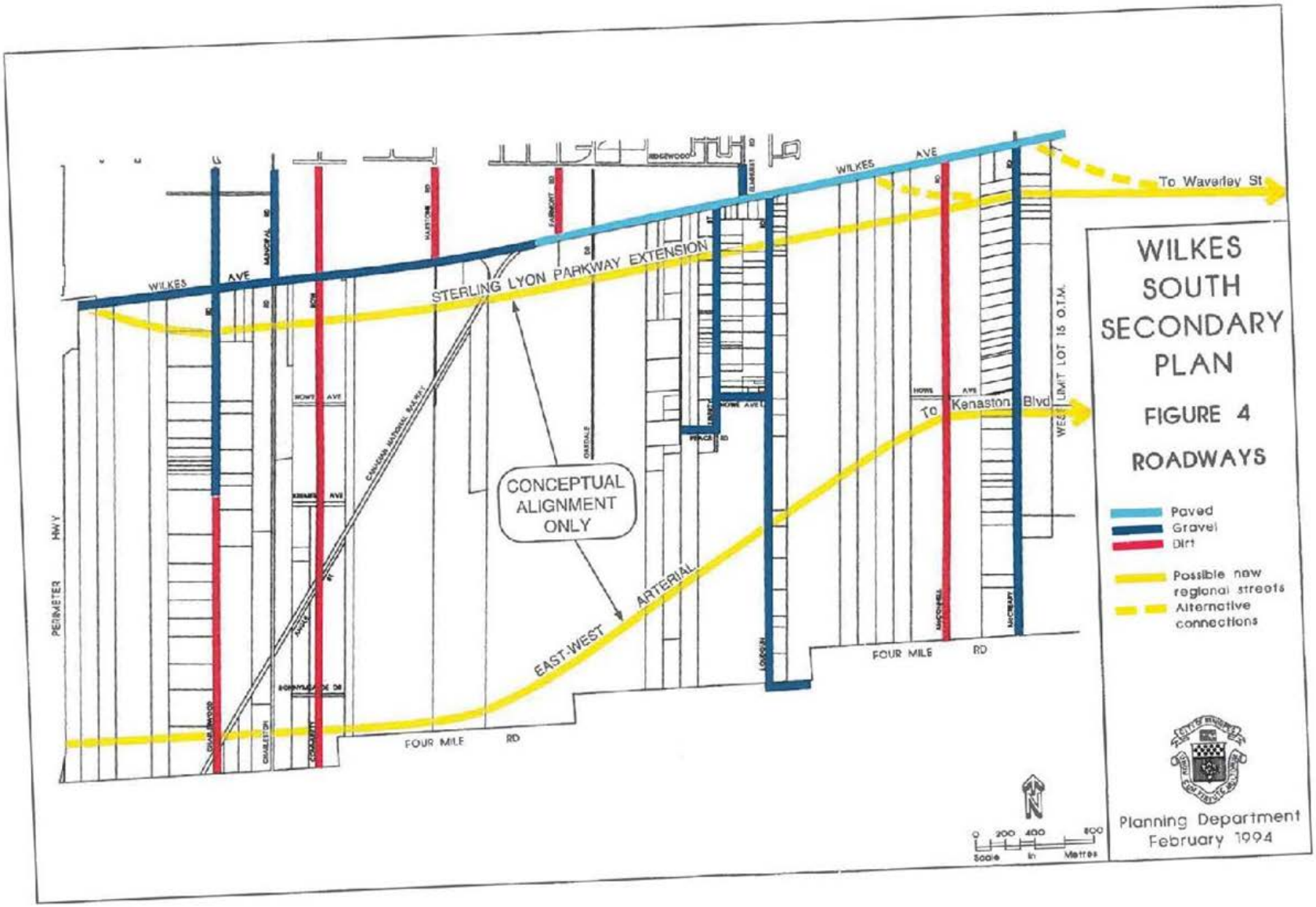
Existing and proposed roads are shown in Figure 4. Existing roads are shown according to their level of improvement.

Wilkes Avenue is classed as a Regional Arterial and provides primary access to the area. Wilkes is paved from Kenaston west to Fairmont Road, and is gravel surfaced from there to the Perimeter Highway. Wilkes carries traffic volumes in the order of 6,700 vehicles per day at the Shaftesbury/McCreary intersection. Traffic will increase as development in south Charleswood proceeds.

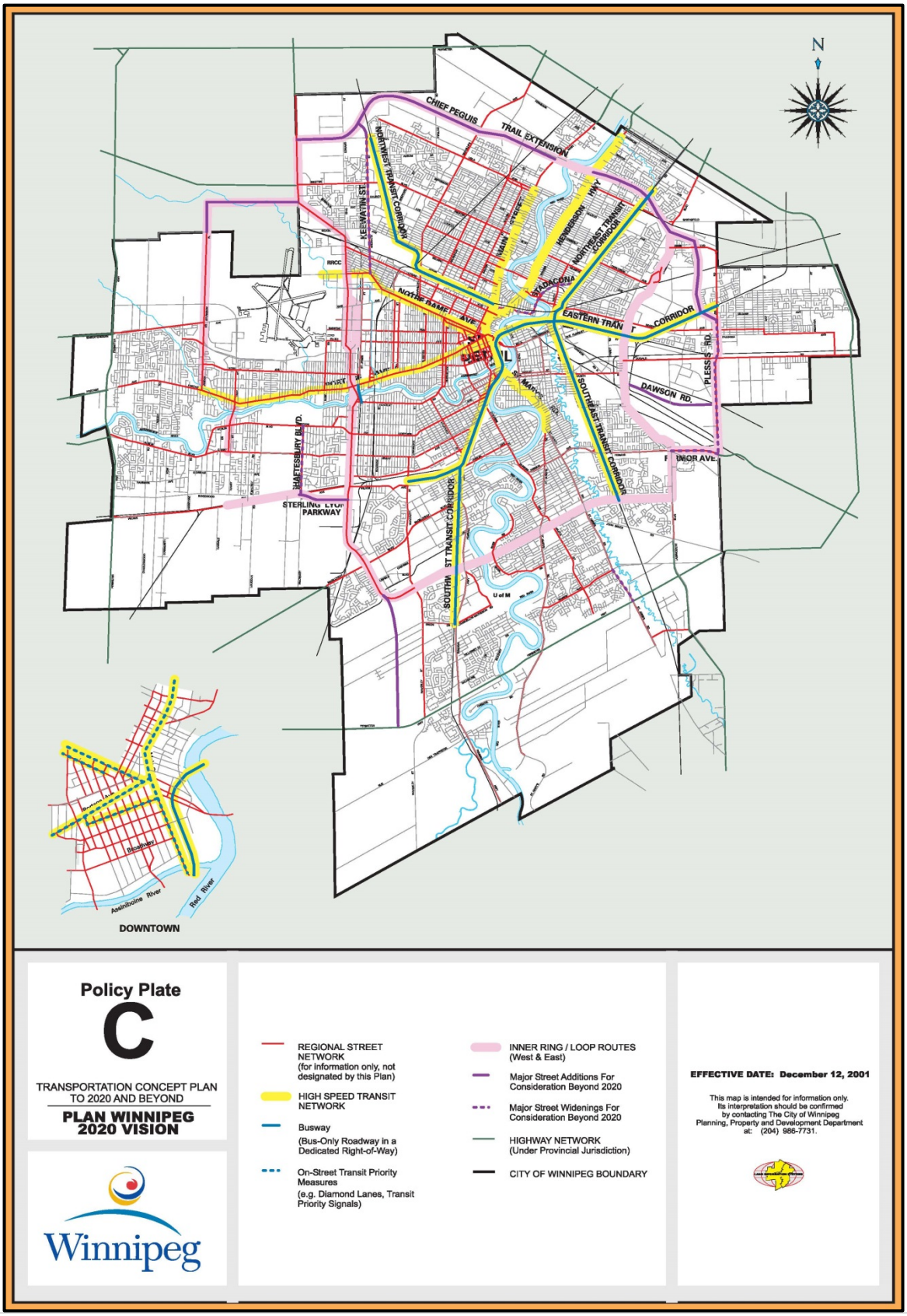
Gravel surfaced local roads include McCreary Road, Loudoun Road, Howe Avenue, Peace Road, Liberty Street, Finkelstein Road, the northerly portion of Charleswood Road and easterly portion of Four Mile Road which combines with Finkelstein to bound the neighbourhood on the south. The remaining rights-of-way in Wilkes South are unimproved.

Figure 4 shows two, long range streets in Wilkes South, Sterling Lyon Parkway and an unnamed east-west regional street. Sterling Lyon has no official status west of Kenaston Boulevard. The easterly section from Kenaston to Waverley is included in Plan Winnipeg. The east-west arterial has no official status and only a portion of the required right-of-way is established. The right-of-way runs west from Kenaston, just north of the CPR La Riviere Subdivision rail crossing, to the west limit of River Lot 11, a distance of almost 1 kilometre.

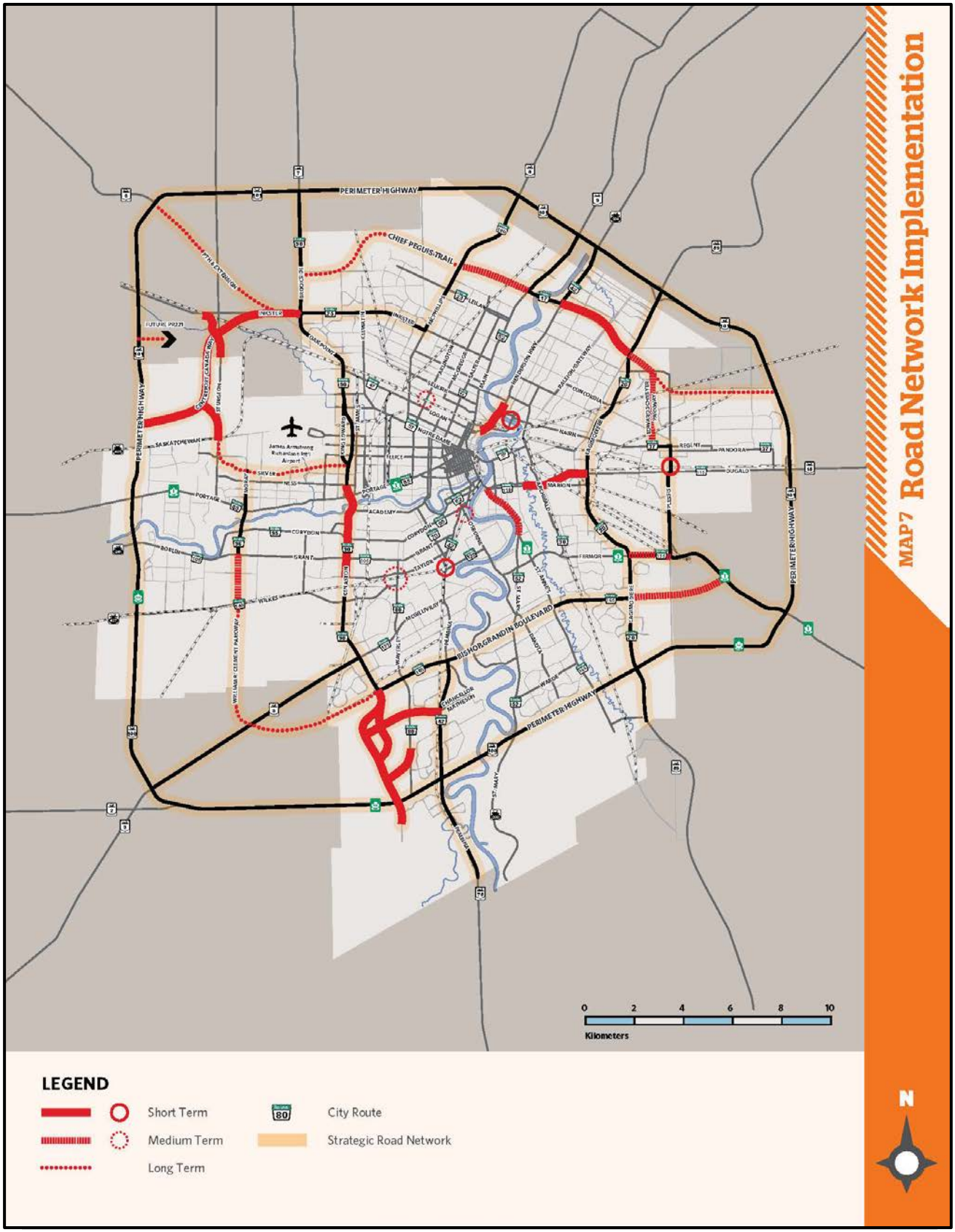
Sterling Lyon Parkway is shown running west about 300 metres/1,000 feet south of Wilkes Avenue, connecting to the Perimeter at the existing Wilkes interchange. Sterling Lyon is intended to replace Wilkes Avenue at some point in the future depending on the pace of development in Charleswood and availability of capital funding. Among its shortcomings, Wilkes Avenue is considered too close to the CN main line, raising safety issues at the level crossings of north-south streets.


WILKES SOUTH SECONDARY PLAN
FIGURE 4
ROADWAYS
Paved
Gravel
Dirt
Possible new regional streets
Alternative connections
Planning Department
February 1994
WILKES AVE
STERLING LYON PARKWAY EXTENSION
To Waverley St
To Kenaston Blvd
CONCEPTUAL ALIGNMENT ONLY
EAST-WEST ARTERIAL
FOUR MILE RD
PERIMETER HWY
WEST LIMIT LOT 15 O.T.M.
0 200 400 800
Scale in Metres

APPENDIX 5 – Plan Winnipeg 20/20 Vision Transportation Policy Map



APPENDIX 6 – Transportation Master Plan (Strategic Road Map)



APPENDIX 7 – WRCP Capital Project Detail Sheet

PUBLIC WORKS - GENERAL CAPITAL FUND

Project Name: **William Clement Parkway - Grant Avenue to Wilkes Avenue**

Department: Public Works
Project: 1801000214

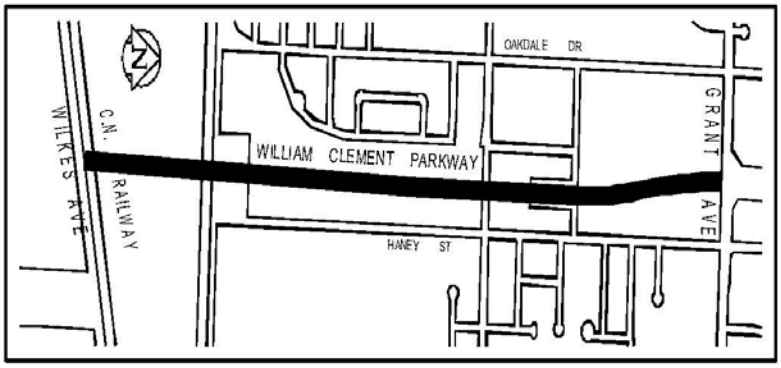
Capital Priority Rating: 3 - 4
Service: Roadway Construction and Maintenance
OurWinnipeg: Sustainability

AUTHORIZATION	Previous Budgets	2014 Adopted	FORECAST 2015	2016	2017	2018	2019	Five-Year Forecast Total	Six-Year Total
Project Costs ($000's)	-	800	-	-	-	-	-	-	800
Financed by:									
Cash to Capital		800						-	800

CASH FLOW	2014	2015	2016	2017	2018	2019	Beyond 2019	Total
Project Costs ($000's)	800	-	-	-	-	-	-	800
Financed by:								
Cash to Capital	800							800

NET OPERATING IMPACT ($000's)	2014	2015	2016
Operating costs			
External debt and finance charges			
Transfer to General Capital Fund	800		
Total Direct Costs	800	-	-
Less: Incremental Revenue/Recovery	24		
Net Cost/(Benefit)	776	-	-

2014 - functional design.



APPENDIX 8 – WRCP Extension Budget Amendment Request

ADMINISTRATIVE REPORT

Title: William R. Clement Parkway between Grant Avenue and Wilkes Avenue – Amendment of Approved 2014 Capital Budget to Include Funding from Charleswood Transportation Levy

Critical Path: Standing Policy Committee on Infrastructure Renewal and Public Works → EPC → Council

AUTHORIZATION

Author	Department Head	CFO	CAO
L. Escobar P.Eng, PTOE	B.W. Sacher, P.Eng.	M. Ruta	D. Joshi A/CAO

RECOMMENDATIONS

1. That Council approves an increase to the William R. Clement Parkway Capital budget in the 2014 approved capital budget from $800,000 to $1,600,000 where $800,000 of the difference be funded by the Charleswood Transportation Levy.

2. That the William R. Clement Parkway Capital Budget be used for:

   i. The preliminary engineering design of the William R. Clement Parkway between Grant Avenue and Wilkes Avenue and associated rail grade separation of the CN River mainline, and;
   ii. The functional engineering design of the William R. Clement Parkway between Wilkes Avenue and McGillivray Boulevard and associated improvements to Wilkes Avenue.

REASON FOR THE REPORT

City Council approval is required to increase capital budgets for additional external funding.

IMPLICATIONS OF THE RECOMMENDATIONS

The amendment of the adopted capital budget to incorporate funding sources from the Charleswood Transportation Levy is required to facilitate the required engineering studies in an efficient and effective manner. It is estimated the required functional and preliminary engineering study will be approximately $1,600,000.

HISTORY

On November 26, 1986, Council approved implementation of a Charleswood Transportation Levy as a condition of subdivision applications within the area bounded by Wilkes Avenue, the west limit of the Assiniboine Forest and extension thereto, the Assiniboine River and the Perimeter Highway. The following is the approved motion:

"41. Where lands are approved for subdivision in the area bounded by Wilkes Avenue, the West limit of the Assiniboine Forest and extension thereto, the Assinboine River and the Perimeter Highway, the subdivision applicant shall be required by agreement to pay to the City as a condition of subdivision $.25 (1987) per square foot of gross subdivision area for phased construction of regional transportation facilities in the Charleswood area to remedy the existing inadequate street capacity.

Pursuant to the provisions of specific subdivision agreements the charge of $.25 will be adjusted to reflect then current construction costs."

5

On January 29th, 2014 Council adopted the amendments to the Charleswood Transportation Levy that included that the monies collected from the existing Charleswood Transportation Levy be used to fund projects directly related to regional transportation facilities. The major project components that are directly related to regional transportation facilities can be described as:

1. Functional Design
2. Preliminary Design
3. Detailed Design
4. Property Acquisitions for Right-of-Way purposes
5. Tendering and Construction

On December 17, 2013, the 2014 Capital Budget was adopted by City Council, which included $800,000.00 in funding in 2014 for the Functional Design of the William R. Clement Parkway Extension between Grant Avenue and Wilkes Avenue. Since that time, additional information has been considered which has lead to an increase in scope to the project to ensure all necessary elements of the study are thoroughly analyzed.

William R. Clement Parkway between Wilkes Avenue and McGillivray Boulevard must be studied together with the section between Grant Avenue and Wilkes Avenue for the following reasons:

- To determine if the William R. Clement Parkway/McGillivray Boulevard intersection can be relocated further east from where the R.M. of MacDonald and Manitoba Infrastructure and Transportation currently have it planned. The location of this intersection is sensitive to how traffic will utilize it and also impact the projected traffic volumes on Wilkes Avenue.
- The engineering design needs to integrate the regional drainage plan which extends south beyond Wilkes Avenue.

Wilkes Avenue needs to be studied in further detail in terms of the horizontal road alignment to optimize its separation from the CN Rail Rivers mainline. Optimizing this alignment could allow for a more economical and efficient grade separation of the CN Rivers mainline and intersection with the William R. Clement Parkway. This was recommended in the Charleswood Traffic Study dated September 2012.

The defined objectives of this engineering study will be:

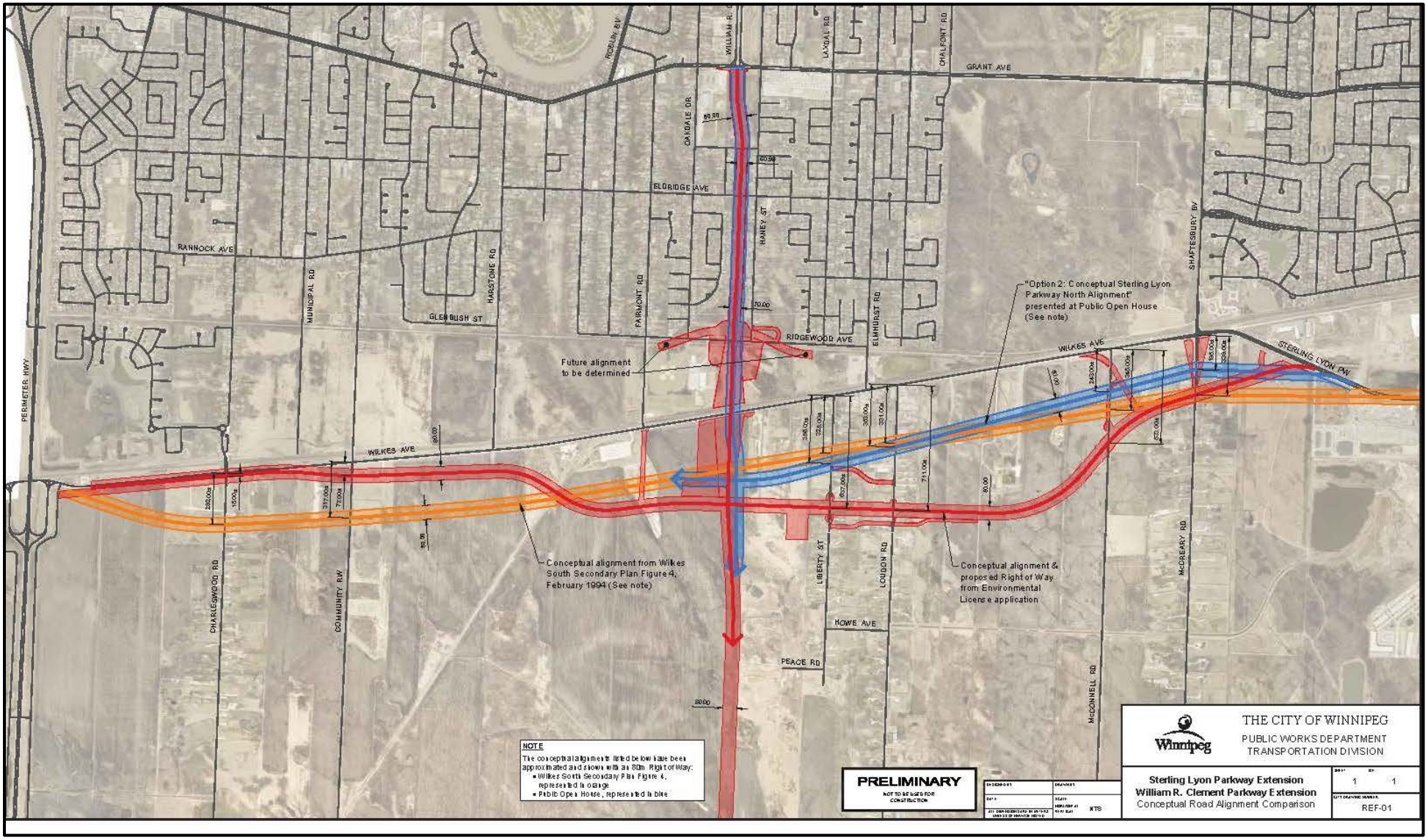
i. To determine and rationalize the costing and infrastructure sequencing requirements to extend the William R. Clement Parkway and determine the alignment, and connection to an east-west arterial south of the CN Rivers mainline through an engineering study that is transparent to the public and the elected officials.

ii. To determine the required rights-of-way to preserve existing lands, establish required property and support future development.

iii. To engage the public throughout the project for input and feedback regarding the design alternatives for the extension of the William R. Clement Parkway to Wilkes Avenue.

iv. To identify risks and develop associated mitigation strategies to ensure the project can be implemented efficiently.

APPENDIX 9 – Comparison of Sterling Lyon Parkway Route Options



APPENDIX 10 – Administrative Reporting Jurisdictional Analysis

Reporting Sections	Municipality				
	Winnipeg	Toronto	Vancouver	Ottawa	Halifax
Pre-scripted Format	Yes	Yes	Yes	Yes	Yes
Administrative Report Template Instructions	Detailed instructions provided	Detailed instructions provided	Example report template provided	Detailed instructions provided	Example report provided
Report Approval Path	Author Director, Department Head CFO (if applicable) CAO (if applicable) Standing Policy Committee Executive Policy Committee Council	Author Manager Committee, Community Council or City Council	Author General Manager City Manager Concurrence from Finance, HR, or Meeting Coordinators Council	Author Manager Director Department Report Coordinator General Manager Secretariat Services Standing Committee Council	Author Manager/Supervisor Director CAO Council
Executive Summary Goals	Key messages in plain language	Intent behind the report and goals of the recommendation	Key decision making information and recommendation impacts	Optional	Not included
Recommendation Goals	Clear, brief, plain language, actionable decision required of Council. Identifies decision making authority.	Clear, brief, plain language, actionable decision required of Council. Identifies decision making authority.	Clear, brief, plain language, actionable decision required of Council. Identifies decision making authority.	Clear, brief, plain language, actionable decision required of Council. Identifies decision making authority.	Clear, brief, plain language, actionable decision required of Council. Identifies decision making authority.
Implications of the Recommendations Identified	Financial	Financial	Financial	Rural Implications, Risk Management, Financial	Financial
History/Background/ Discussion	Recommendations support	Recommendations support	Policy area: text amendment, rezoning, financial	Recommendations support, includes Ward Councillors comments	Recommendations support
Financial Impact Statement	Yes	Yes	Yes	Yes	Yes
Departmental Consultation Identified	Yes	No	Yes	Yes	No

Policy Alignment Identified	All reports connected to OurWinnipeg	Not identified	Not identified	Optional	Not identified
Professional Development Courses	Courses on general report writing and plain writing	Courses on document accessibility for all abilities	Not indicated	Courses on Council and Committee Readiness and Business Cases	Courses on Council presentations and Council reporting

APPENDIX 11 - Summary of Recommendations

Focus Area	Rec. #	Recommendation	Priority
Management Process	1	*We recommend that the Chief Administrative Officer create a map of the capital planning process to be included in the City's Project Management Manual, and provided on the City's website for all major capital projects.*	High
Management Response Agree. The City's Project Management Manual has a high level description of the capital planning process. The Public Service will create a process map for the Project Management Manual as well as create a process map for each major capital project on the City's website. Further, the Project Management Manual will be revised to include definitions of the various stages of a major capital project (e.g. conceptual study, functional design study, preliminary engineering design and detailed engineering design). Implementation Date: Q1 2019.			
Management Process	2	*We recommend that the Chief Administrative Officer create a process to ensure that major infrastructure commitments contained in secondary plan by-laws are completely captured in master plan documents for the City.*	High
Management Response Agree. The Public Service will ensure that its master planning documents are aligned. The Public Service will review the existing secondary plans and ensure they are consistent with the Master Transportation Plan. This will be completed in conjunction with the Our Winnipeg Review. Implementation Date: Q3 2019.			
Management Process	3	*We recommend that the Chief Administrative Officer establish a process to submit options for roadway alignments to Council in cases where the alignments have not already been adopted in secondary plan by-laws.*	High
Management Response Agree. The Public Service will include in the process map in the Project Management Manual the option for submitting roadway alignments to Council in cases where the alignments have not already been adopted in secondary plan by-laws. Implementation Date: Q1 2019.			

Focus Area	Rec. #	Recommendation	Priority
Management Process	4	*We recommend that the Chief Administrative Officer ensure that any project detail sheets related to a major capital project in the capital budget include the following minimum disclosures:* *1. Description of the major components (project scope)* *2. Reference to the City planning by-law from which the project originated* *3. Major benefits of constructing the projects* *4. Significant risks of constructing the project* *5. Significant risks of not constructing or deferring the project*	High
Management Response Agree. The Public Service will include the minimum disclosures (project scope, by-law reference, major benefits and significant risks) of a major capital project in the capital budget project detail sheet. However the level of detail will depend on the stage of the project, i.e. less detail at the concept study stage and more detail at the preliminary engineering stage. Implementation Date: Q1 2019.			
Management Process	5	*We recommend that the Chief Administrative Officer ensure that any administrative report related to an amendment to a capital budget for a major capital project include the following minimum disclosures:* *1. Description of the major components (project scope)* *2. Reference to the City planning by-law from which the project originated* *3. Major benefits of constructing the projects* *4. Significant risks of constructing the project* *5. Significant risks of not constructing or deferring the project*	High
Management Response Agree. The Public Service will include the minimum disclosures (project scope, by-law reference, major benefits and significant risks) of a major capital project in any administrative report related to an amendment to the capital budget. Implementation Date: Q3 2018.			
Human Resources	6	*We recommend the Chief Administrative Officer direct Corporate Human Resources to developing courses for report writers to provide guidance and hands on training through classroom sessions.*	Moderate

Focus Area	Rec. #	Recommendation	Priority
Management Response Agree. The Public Service currently has a number of training courses that specialize in writing skills and is targeted at leaders and employees who write as part of their jobs. The Office of the Chief Administrative Officer will work with Corporate Human Resources to identify if any of the existing courses could be enhanced to include administrative report and briefing note writing with specialized content about writing to senior management and elected officials, and how to identify and prioritize relevant and material information. Implementation Date: Q1 2019.			
Human Resources	7	*We recommend that the briefing note template be reviewed and revised by the Chief Administrative Officer to provide more detailed guidance on the types of risks that should be noted in briefing notes, and that part of that guidance include risk associated with significant changes in groups of impacted citizens.*	Moderate
Management Response Agree. The Office of the Chief Administrative Officer will review and revise the briefing note template to provide more detailed guidance on the types of risks that should be noted. Implementation Date: Q3 2018.			
Management Process	8	*The Chief Administrative Officer should ensure that appropriate guidance is included in the PMM that would identify when public engagement should be part of a project and develop a minimum set of communications, activities and events that should occur for a capital project. This set of communications, activities and events should be adjusted to reflect the size and sensitivity of the project.*	High
Management Response Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard that will identify when public engagement should be part of a project. The standard will include appropriate guidance and criteria and a minimum set of communications, activities, events and options for incorporating public feedback. It will also provide guidance on how to communicate with the public on how feedback will be used in the decision making process. The Project Management Manual will be revised to reference the policy and the administrative standard. Implementation Date: Q3 2019.			
Management Process	9	*The Chief Administrative Officer should direct the Office of Public Engagement to develop guidance and criteria for the Project Management Manual which discuss the requirement to document the process for incorporating public feedback and input received through public engagement activities in the decision making process for capital projects. The process for incorporating feedback may cover a broad spectrum and should be tailored to the type of project.*	Moderate

Focus Area	Rec. #	Recommendation	Priority
Management Response Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard that will identify when public engagement should be part of a project. The standard will include appropriate guidance and criteria and a minimum set of communications, activities, events and options for incorporating public feedback. It will also provide guidance on how to communicate with the public on how feedback will be used in the decision making process. The Project Management Manual will be revised to reference the policy and the administrative standard. Implementation Date: Q3 2019.			
Management Process	10	*The Chief Administrative Officer should direct the Office of Public Engagement to develop guidance for the Project Management Manual which discuss the requirement to communicate to the public how feedback obtained through public engagement activities will be and was used in the decision making process.*	Moderate
Management Response Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard that will identify when public engagement should be part of a project. The standard will include appropriate guidance and criteria and a minimum set of communications, activities, events and options for incorporating public feedback. It will also provide guidance on how to communicate with the public on how feedback will be used in the decision making process. The Project Management Manual will be revised to reference the policy and the administrative standard. Implementation Date: Q3 2019.			
Management Process	11	*The Chief Administrative Officer should ensure the roles and responsibilities of Corporate Communications and of the Office of Public Engagement are formalized, documented and communicated to all departments.*	Moderate
Management Response Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard. The standard will document the roles and responsibilities of the Office of Public Engagement in the Customer Services and Communications Department. Once approved by the Chief Administrative Officer, the administrative standard and the Council adopted policy will be communicated to all departments. Implementation Date: Q3 2019.			
Management Process	12	*The Chief Administrative Officer should direct the Office of Public Engagement to develop guidance in the PMM to define the approval process for public engagement materials.*	Moderate

Focus Area	Rec. #	Recommendation	Priority
Management Response Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard. The standard will define the approval process for public engagement materials. Once approved by the Chief Administrative Officer, the administrative standard and the Council adopted policy will be communicated to all departments. Further, the Project Management Manual will be revised to reference the policy and the administrative standard. Implementation Date: Q3 2019.			
Management Process	13	*The Chief Administrative Officer should develop appropriate guidance for the PMM to advise staff against the use of technical terms in public engagement materials. When determined to be necessary, then additional definitions should be included to ensure an understanding by individuals of various technical and language abilities.*	Moderate
Management Response Agree. The Corporate Communications division within the Customer Service and Communications Department will be developing a Style Guide for the City of Winnipeg which will provide departments with quick reference to the City's writing guidelines and writing styles. It will help guide employees who are disseminating information on behalf of their Department to improve clarity, encourage the use of plain language, and create consistency across all Departments in the City. Implementation Date: Q3 2019.			
Management Process	14	*The Chief Administrative Officer should direct the OPE to develop criteria for determining when a neutral facilitator would be appropriate for public engagement on a project, and include the criteria in the PMM guidance.*	Moderate
Management Response Agree. The Office of Public Engagement in the Customer Services and Communications Department is developing a policy for public engagement for Council approval. This will be followed by the development of a detailed administrative standard. The standard will provide criteria for when a neutral facilitator would be appropriate for public engagement on a project. Once approved by the Chief Administrative Officer, the administrative standard and the Council adopted policy will be communicated to all departments. Further, the Project Management Manual will be revised to reference the policy and the administrative standard. Implementation Date: Q3 2019.			
Management Process	15	*The Chief Administrative Officer should develop appropriate guidance to support project management staff regarding the timing for when an Environmental Assessment Proposal should be submitted for a project that is in an early planning phase such as a Functional Design Study phase.*	Moderate

Focus Area	Rec. #	Recommendation	Priority
Management Response Agree. The Project Management Manual will be revised to include definitions of the various stages of a major capital project (e.g. conceptual study, functional design study, preliminary engineering design and detailed engineering design). Appropriate guidance on the timing for each phase of environmental assessments and timing of environmental assessment proposal submissions will be provided. Implementation Date: Q1 2019.			