Agenda – Executive Policy Committee – October 20, 2020

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – October 15, 2020

Moved by Councillor

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

Item No. 3 Delegation of Authority to Award Seven (7) Public Works Regional Street Renewal Contracts Exceeding $5,000,000 Including Multi-Year Contracts – MM Reference No. 639-2020

STANDING COMMITTEE RECOMMENDATION:

On October 15, 2020, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That subject to the approval of the 2021 Capital Budget, authority be delegated to the Chief Administrative Officer to award, and approve, that the City enter into, execute, and deliver seven (7) competitively tendered construction contracts exceeding $5,000,000 as identified in Appendix A and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements") to the maximum amounts shown therein provided they are within the Council Approved Budgets, or as a result of a first charge against the General Capital Fund.

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

3. That authority be delegated to the Chief Administrative Officer to approve over expenditures for the contracts set out in Recommendation 1, provided that the contract value plus the over expenditure does not exceed the amounts identified in Recommendation 1 (Appendix A) and they are within Council approved budgets, or as a result of a first charge against the General Capital Fund.

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

Agenda – Executive Policy Committee – October 20, 2020

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – October 15, 2020

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On October 15, 2020, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service and submitted the matter to the Executive Policy Committee and Council.

ADMINISTRATIVE REPORT

Title: Delegation of Authority to Award Seven (7) Public Works Regional Street Renewal Contracts Exceeding $5,000,000 Including Multi-Year Contracts – MM Reference No. 639-2020

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

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Neirinck, P.Eng.	J. Berezowsky	P. Olafson, Interim CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

The Public Works Department is recommending that subject to the approval of the 2021 Capital Budget, the Chief Administrative Officer be delegated the authority to award construction contracts exceeding $5,000,000 including contract over-expenditures for the following seven (7) projects:

1. Downtown Streets Accelerated Regional Street Renewal Project; Contract 2 for the Reconstruction and Rehabilitation of Donald Street from St Mary Avenue to Gertrude Street and reconstruction of Hargrave Street from York Avenue to Broadway. The maximum construction contract delegation authority requested is $8,500,000.00.

2. Erin Street/ Wall Street/ Sargent Avenue Accelerated Regional Street Renewal Project; Contract 2 for the Reconstruction of Erin Street from Notre Dame Avenue to Wolever Avenue and Wall Street from Notre Dame Avenue to St Matthews Avenue. The maximum construction contract delegation authority requested is $9,000,000.00.

3. Watt Street/ Munroe Avenue /Johnson Avenue Accelerated Regional Street Renewal Project; Contract 2 for the Reconstruction of Munroe Avenue from Raleigh Street to Henderson Highway. Contract 2 will include the rehabilitation of Henderson Highway South Bound – McLeod Avenue to Leighton Avenue, a non-accelerated capital project. The maximum construction contract delegation authority requested is $8,800,000.00.

4. Dunkirk Drive / Jubilee Avenue/ Pembina Highway Accelerated Regional Street Renewal Project; Contract 1 for the rehabilitation of Dunkirk Drive from Fermor Avenue to St Mary's Road. The maximum construction contract delegation authority requested is $5,200,000.00.

5. Salter Street/ Selkirk Avenue/ William Street Accelerated Regional Street Renewal Project; Contract 1 for the rehabilitation of Salter Street from Cathedral Avenue to the Slaw Rebchuk Bridge. The maximum construction contract delegation authority requested is $7,000,000.00.

6. Salter Street/ Selkirk Avenue / William Avenue Accelerated Regional Street Renewal Project; Contract 2 for the reconstruction of Selkirk Avenue from Arlington Street to

McPhillips Street and William Avenue from Arlington Street to McPhillips Street. The maximum construction contract delegation authority requested is $7,000,000.00.

7. Archibald Street Accelerated Regional Street Renewal Program; Contract 2 for Archibald Street Reconstruction – Elizabeth Road to St Catherine Street; The maximum construction contract delegation authority requested is $7,000,000.00.

Appendix A provides additional project information including budget information, maximum requested delegation authority, and the anticipated schedule for the construction contracts. All of the projects listed above include funding from the National Building Canada Fund (NBCF) Application except for the non-accelerated Henderson Highway projects noted in item 3 above.

RECOMMENDATIONS

1. That subject to the approval of the 2021 Capital Budget, authority be delegated to the Chief Administrative Officer to award, and approve, that the City enter into, execute, and deliver seven (7) competitively tendered construction contracts exceeding $5,000,000 as identified in Appendix A and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing (the "Ancillary Agreements") to the maximum amounts shown therein provided they are within the Council Approved Budgets, or as a result of a first charge against the General Capital Fund.

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

3. That authority be delegated to the Chief Administrative Officer to approve over expenditures for the contracts set out in Recommendation 1, provided that the contract value plus the over expenditure does not exceed the amounts identified in Recommendation 1 (Appendix A) and they are within Council approved budgets, or as a result of a first charge against the General Capital Fund.

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

REASON FOR THE REPORT

Pursuant to B8.2 of the City of Winnipeg's Materials Management Policy, the Chief Administrative Officer is delegated the authority to award a contract where the value of the contract does not exceed $5,000,000.

Pursuant to the Material Management Policy Administrative Standard No. FM-002, the Chief Administrative Office has the authority to approve over-expenditures, where the accumulated amount for each contract, including over-expenditures, does not exceed $5,000.000.

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

IMPLICATIONS OF THE RECOMMENDATIONS

The purpose of the Recommendations is to expedite the award process for construction contracts expected to exceed $5,000,000, subject to budget approval, and to delegate the authority to approve over-expenditures to the same delegated limits.

HISTORY/DISCUSSION

2019-2023 Accelerated Regional Street Renewal Program – **Downtown Streets**; Broadway Rehabilitation – Osborne to Main, Portage Avenue Asphalt Overlay – Main Street to Memorial Boulevard, Donald Street Rehabilitation – St Mary Avenue to Gertrude Avenue, Fort Street Reconstruction – Broadway to Graham Avenue, Hargrave Street Reconstruction – Portage Avenue to Ellice Avenue, Hargrave Street Reconstruction – Broadway to York Avenue, Smith Street Reconstruction and Rehabilitation – Notre Dame Avenue to Midtown Bridge, Carlton Street Asphalt Overlay – Ellice Avenue to Portage Avenue.

- The 2019 Capital budget adopted by Council on March 20, 2019 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $44,800,000 with $1,500,000 for the Downtown Streets Project.
- The 2020 Capital Budget adopted by Council on March 20, 2020 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $71,386,000 with $8,000,000 for the Downtown Streets Project.
- The 2020 Adopted Capital Budget includes forecast amounts of $8,900,000 and $7,400,000 for fiscal years 2021 and 2022 respectively.
- On March 20, 2020 with the adoption of the 2020 capital budget, Council approved a first charge on the total 2021 Accelerated Regional Street Renewal Program including the $8,900,000 allocated to Downtown Streets.
- The Engineering Division will require a first charge on the 2022 budget which will be presented in the proposed 2021 Capital Budget.
- Advertising of the construction contract for Contract 2 of the Downtown Streets Project is expected to occur in early 2021 for a period of 30 Calendar Days. Contract 2 will consist of a single year construction contract that will include Donald Street and Hargrave Street (from York to Broadway). Construction is scheduled to commence in May 2021 with completion in October 2021.
- The maximum construction contract delegation authority requested is $8,500,000.00.

2019-2023 Accelerated Regional Street Renewal Program – **Erin Street/ Wall Street/ Sargent Avenue;** Erin Street Reconstruction – Notre Dame Avenue to Wolever Avenue, Wall Street Reconstruction – St Matthews Avenue to Notre Dame Avenue, Sargent Avenue Reconstruction – Arlington Street to Erin Street.

- The 2019 Capital budget adopted by Council on March 20, 2019 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $44,800,000 with $1,300,000 for the Erin/Wall/Sargent Project.
- The 2020 Capital Budget adopted by Council on March 20, 2020 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $71,386,000 with $8,300,000 for the Erin/Wall/Sargent Project.
- The 2020 Adopted Capital Budget includes forecast amounts of $9,100,000 and $9,700,000 for fiscal years 2021 and 2022 respectively.

- On March 20, 2020 with the adoption of the 2020 capital budget, Council approved a first charge on the total 2021 Accelerated Regional Street Renewal Program including the $9,100,000 allocated to Erin/Wall/Sargent.
- The Engineering Division will require a first charge on the 2022 budget which will be presented in the proposed 2021 Capital Budget.
- Advertising of the construction contract for Contract 2 of the Erin/Wall/Sargent Project is expected to occur in early 2021 for a period of 30 Calendar Days. Contract 2 will consist of a **Two-year** construction contract that will include Erin Street and Wall Street. Construction is scheduled to commence in May 2021 with completion in October 2022.
- The maximum construction contract delegation authority requested is $9,000,000.00.

2019-2023 Accelerated Regional Street Renewal Program – **Watt Street/ Munroe Avenue/ Johnson Avenue West**; Watt Street Reconstruction – Chalmers Avenue to Munroe Avenue, Munroe Avenue Reconstruction – Raleigh Street to Henderson Highway, Johnson Avenue West Reconstruction – Levis Street to Henderson Highway. The 2021-2022 Non-Accelerated Regional Street Renewal Program – Henderson Highway South Bound Rehabilitation – McLeod Avenue to Leighton Avenue

- The 2019 Capital budget adopted by Council on March 20, 2019 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $44,800,000 with $1,250,000 for the Watt/Munroe/Johnson Project.
- The 2020 Capital Budget adopted by Council on March 20, 2020 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $71,386,000 with $4,800,000 for the Watt/Munroe/Johnson Project.
- The 2020 Adopted Capital Budget includes forecast amounts for the Accelerated Regional Street Renewal Portion of the project of $4,850,000 and $4,900,000 for fiscal years 2021 and 2022 respectively.
- On March 20, 2020 with the adoption of the 2020 capital budget, Council approved a first charge on the total 2021 Accelerated Regional Street Renewal Program including the $4,850,000 allocated to Watt/Munroe/Johnson.
- The 2020 Capital Budget adopted by Council on March 20, 2020 included funding for the Non-Accelerated Regional Street Renewal Program in the amount of $2,000,000 with $150,000 allocated to Henderson Highway South Bound Rehabilitation – McLeod Avenue to Leighton Avenue.
- The 2020 Adopted Capital Budget includes forecast amounts for the Non-Accelerated Regional Street Renewal Program with $1,250,000 allocated to Henderson Highway South Bound Rehabilitation – McLeod Avenue to Leighton Avenue.
- The Engineering Division will require a first charge on the 2022 budget for the Accelerated Regional Street Renewal Program portion of the project which will be presented in the proposed 2021 Capital Budget.
- Advertising of the construction contract for Contract 2 of the Watt/Munroe/Johnson Project is expected to occur in early 2021 for a period of 30 Calendar Days. Contract 2 will consist of a **two-year** construction contract that will include reconstruction of Munroe Avenue from Raleigh Street to Henderson Highway and the rehabilitation of Henderson Highway South Bound – McLeod Avenue to Leighton Avenue. Construction is scheduled to commence in May 2021 with completion in October 2022.
- The maximum construction contract delegation authority requested is $8,800,000.00.

2020-2023 Accelerated Regional Street Renewal Program – **Dunkirk Drive/ Jubilee Avenue/ Pembina Highway**; Dunkirk Drive rehabilitation – Fermor Avenue to St Mary's Road; Jubilee

Avenue reconstruction – Osborne Street to Pembina Highway; and Pembina Highway rehabilitation – McGillivray Boulevard to Chevrier Boulevard.

- These projects were individually budgeted and have been grouped to optimize project delivery. Only the Dunkirk segment is scheduled for construction in the 2021 construction season. Delegations for other segments of the project grouping will be requested in future reports if required.
- The 2020 Capital Budget adopted by Council on March 20, 2020 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $71,386,000 including $350,000 for Dunkirk Drive, $900,000 for Jubilee Avenue, and $900,000 for Pembina Highway.
- The 2020 Adopted Capital Budget includes combined forecast amounts of $9,400,000 and $13,500,000 for fiscal years 2021 and 2022 respectively (as shown in the table below).
- On March 20, 2020 with the adoption of the 2020 capital budget, Council approved a first charge on the total 2021 Accelerated Regional Street Renewal Program including the combined $9,400,000 allocated to Dunkirk, Jubilee, and Pembina.

Location	**2020** *(adopted)*	**2021** *(approved first charge)*	**2022** *(forecast)*	**2023** *(forecast)*
Dunkirk Dr – Fermor Av to St Mary's Rd	$350,000	$6,200,000	$0	$0
Pembina Hw – McGillivray Bv to Chevrier Bv	$900,000	$0	$8,600,000	$0
Jubilee Av – Pembina Hw to Osborne St	$900,000	$3,200,000	$4,900,000	$4,000,000
	$2,150,000.	$9,400,000	$13,500,00	$4,000,000

- The Engineering Division will require a first charge on the 2022 budget which will be presented in the proposed 2021 Capital Budget. Advertising of the first construction contract of the Dunkirk/Jubilee/Pembina Project is expected to occur in early 2021 for a period of 30 Calendar Days. The first contract will include the rehabilitation of Dunkirk Drive. Construction is scheduled to commence in May 2021 with completion in October 2021.
- The maximum construction contract delegation authority requested is $5,200,000.00.

2020-2023 Accelerated Regional Street Renewal Program – **Salter Street/ Selkirk Avenue/ William Avenue**; Salter Street Rehabilitation – Cathedral Avenue to the Slaw Rebchuk Bridge; Selkirk Avenue Reconstruction – Arlington Street to McPhillips Street; William Avenue Reconstruction – Arlington Street to McPhillips Street.

- These projects were individually budgeted and have been grouped to optimize project delivery. All segments are expected to begin construction in 2021.
- The 2020 Capital Budget adopted by Council on March 20, 2020 included funding for the Accelerated Regional Street Renewal (NBCF Application) in the amount of $71,386,000 including $550,000 for Salter Street, $700,000 for Selkirk Avenue, and $400,000 for William Avenue.
- The 2020 Adopted Capital Budget includes forecast amounts of $8,900,000 and $6,880,000 for fiscal years 2021 and 2022 respectively (as shown in table below).
- On March 20, 2020 with the adoption of the 2020 capital budget, Council approved a first charge on the total 2021 Accelerated Regional Street Renewal Program including the combined $8,900,000 allocated to Salter, Selkirk, and William.

Location	2020 *(adopted)*	2021 *(approved first charge)*	2022 *(forecast)*	2023 *(forecast)*
Salter St – Cathedral Av to the Slaw Rebchuk Bridge	$550,000	$5,900,000	$0	$0
Selkirk Av – Arlington St to McPhillips St	$700,000	$3,000,000	$3,580,000	$0
William Av – Arlington St to McPhillips St	$400,000	$0	$3,300,000	$0
	$1,650,000	$8,900,000	$6,880,000	$0

- The Engineering Division will require a first charge on the 2022 budget which will be presented in the proposed 2021 Capital Budget.
- Advertising of the both construction contracts of the Salter/Selkirk/William Project is expected to occur in early 2021 for a period of 30 Calendar Days each.
    - The first contract will include the rehabilitation of Salter St from Cathedral Av to the Slaw Rebchuk Bridge. Construction is scheduled to commence in May 2021 with completion in October 2021, and may include watermain work budgeted within the Water and Waste Department Capital Budget. The maximum construction contract delegation authority requested for the first contract is $7,000,000.00.
    - The second contract will include the reconstruction of both Selkirk and William. Construction is scheduled to begin in May 2021 with completion in October 2022. The maximum construction contract delegation authority requested for the second contract is $7,000,000.00.

2019-2023 Accelerated Regional Street Renewal Program – **Archibald Street**; Archibald Street Rehabilitation – Elizabeth Road to Cottonwood Road; Archibald Street Rehabilitation – Doucet Street to Plinguet Street, and Archibald Street Reconstruction – Elizabeth Road to St Catherine Street.

- The 2019 Capital budget adopted by Council on March 20, 2019 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $44,800,000 with $1,250,000 for the Archibald Street Project.
- The 2020 Capital Budget adopted by Council on March 20, 2020 included funding for the Accelerated Regional Street Renewal Program (NBCF Application) in the amount of $71,386,000 with $4,700,000 for the Archibald Street Project.
- The 2020 Adopted Capital Budget includes forecast amounts of $4,900,000 and $4,900,000 in 2021 and 2022 respectively.
- On March 20, 2020 with the adoption of the 2020 capital budget, Council approved a first charge on the total 2021 Accelerated Regional Street Renewal Program including the $4,900,000 allocated to Archibald.
- Advertising of the construction contract for Contract 2 of the Archibald Street Project is expected to occur in early 2021 for a period of 30 Calendar Days.
- Contract 2 will consist of a one-year construction contract that will include the rehabilitation of Archibald Street from Elizabeth Road to St Catherine Street.
- Construction is scheduled to commence in May 2021 with completion in October 2021.
- The maximum construction contract delegation authority requested is $7,000,000.00.

In order to award a construction contract in a timely manner, delegation of authority to the Chief Administrative Officer to award contracts exceeding $5,000,000 is recommended.

The requested delegation of authority is for the general construction contract only. The individual project budget allocations typically include amounts for engineering, construction, signals, utilities, property acquisition, and overheads. All awards based on the requested delegation of authority are contingent upon sufficient Council approved budgets or first charges in the respective project.

FINANCIAL IMPACT

Financial Impact Statement

Date: September 22, 2020

Project Name:

Delegation of Authority to Award Seven (7) Public Works Regional Street Renewal Contracts Exceeding $5,000,000 Including Multi-Year Contracts – MM Reference No. 639-2020

COMMENTS:

There is no financial impact associated with the recommendations of this report.

The 2021 Capital Budget and First Charges on the 2022 Capital Budget will be submitted for Council consideration through the 2021 budget process and through additional administrative reports as required. The delegated authority requested in the report is contingent on the availability of sufficient Council approved budget in the identified projects.

"Original signed by J. Peters, CPA, CGA"
J. Peters, CPA, CGA
Acting Manager of Finance & Administration

CONSULTATION

This Report has been prepared in consultation with: N/A

OURWINNIPEG POLICY ALIGNMENT

N/A

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

SUBMITTED BY

Department: Public Works
Division: Engineering
Prepared by: M.N. Stainton, P.Eng.
Date: September 23, 2020
File No: 19-C-07, 19-C-09, 19-C-10, 19-C-11, 20-C-04, 20-C-05

Attachments: APPENDIX A: Project Summary Table

APPENDIX A: Project Summary Table

Requested Delegation of Authority				Regional Street Renewal Program Budgets [Note4]			
Project Package	**Contract**	**Project Year**	**Maximum [Note1] Requested Delegation of Authority for Contract Award and Over-Expenditures**	**Adopted Budgets (2019-2020)**	**Approved First Charge on the 2021 Forecast Budget**	**Remaining 2021 Forecast Budget – Pending Approval**	**Forecast 2022 Budget – Pending Approval**
Downtown Streets	Contract 2: • Reconstruction/Rehabilitation of Donald St – St Mary Av to Gertrude St • Reconstruction of Hargrave St from York Av to Broadway	2021	$8,500,000.00	$9,500,000	$8,900,000	$0	$7,400,000
Erin St/ Wall St/ Sargent Av	Contract 2: • Reconstruction of Erin St – Notre Dame Av to Wolever Av and Wall St from Notre Dame Av to St Matthews Av	2021-2022	$9,000,000.00	$9,600,000	$9,100,000	$0	$9,700,000
Watt St/ Munroe Av/ Johnson Av/ & Henderson Hwy	Contract 2: • Reconstruction of Munroe Av – Raleigh St to Henderson Hw • Rehabilitation of Henderson Hw SB – McLeod Av to Leighton Av[1]	2021-2022	$8,800,000.00	$6,050,000 $150,000	$4,850,000 $0	$0 $1,250,000	$4,900,000 $0
Dunkirk Dr/ [Note2] Jubilee Av/ Pembina Hw	Contract 1: • Rehabilitation of Dunkirk Dr – Fermor Av to St Mary's Rd	2021	$5,200,000.00	$350,000	$6,200,000	$0	$0
Salter St/ [Note3] Selkirk Av/ William Av	Contract 1: • Rehabilitation of Salter St – Cathedral Av to the Slaw Rebchuk Bridge	2021	$7,000,000.00	$550,000	$5,900,000	$0	$0
	Contract 2: • Reconstruction of Selkirk Av – Arlington St to McPhillips St • Reconstruction of William Av – Arlington St to McPhillips St	2021-2022	$7,000,000.00	$700,000 $400,000	$3,000,000 $0	$0	$3,580,000 $3,300,000
Archibald St	Contract 2: • Reconstruction of Archibald St – • Elizabeth Rd St Catherine St	2021	$7,000,000.00	$5,950,000	$4,900,000	$0	$4,900,000

Note 1 -The requested delegation of authority is for the general construction contract only.

Note 2 -These projects were individually budgeted and have been grouped to optimize project delivery. Only the Dunkirk segment is scheduled for construction in the 2021 construction season.

Note 3 -The rehabilitation of Salter Street may include watermain work which would be funded by Water and Waste Department Capital Budgets. The maximum construction contract delegation authority requested includes the road rehabilitation and up to $1,000,000 for watermain work. Should watermain work be added to the construction contract, budget availability will be confirmed with the Water and Waste Department prior to tendering.

Note 4 –All budget amounts noted in the table are part of the adopted and forecast Accelerated and Non-Accelerated Regional Street Renewal Program.