Minutes – Executive Policy Committee – July 14, 2021

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – July 7, 2021

Item No. 5 Intersection Improvements at Route 165 and Lagimodiere Boulevard with tie into Extension of Route 165 from Lagimodiere Boulevard to Boulevard Des Hivernants North

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the following to Council:

1. That a new capital project in the amount of $2,780,000 be approved within the 2021 Regional Streets program for Intersection Improvements at Route 165 and Lagimodiere Boulevard and tie into the Route 165 Extension (Lagimodiere to Des Hivernants North), to be funded by transfers from the following capital projects:

    A. Project # 1807000117 – Developer Paybacks – Various Locations – $81,210

    B. Project # 1807000118 – Developer Paybacks – Various Locations – $1,810,607

    C. Project #1804000119 – Regional and Local Streets Renewal – $888,183

2. That the City be authorized to allow Sage Creek Development Corporation (the "Developer") to conduct construction work related to the extension of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North on the City's behalf and that the City reimburse the Developer for the costs of said work in excess of the Developer's responsibilities.

3. That the City enter into, execute and deliver an agreement with the Developer to reimburse the Developer for the costs of construction works in excess of the Developer's responsibilities related to the extension of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North (the "Contribution Agreement"), 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").

4. That the authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the Contribution Agreement and the Ancillary Agreements, in accordance with this report and such terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

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

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – July 7, 2021

DECISION MAKING HISTORY:

Moved by Councillor Allard,

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

Yea:	Bowman, Allard, Browaty, Gillingham, Gilroy, Mayes, Rollins	7
Nay:		0

Carried

STANDING COMMITTEE RECOMMENDATION:

On July 7, 2021, 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.

Astrid Hardman submitted a communication in support of the matter.

ADMINISTRATIVE REPORT

Title: Intersection Improvements at Route 165 and Lagimodiere Boulevard with tie into extension of Route 165 from Lagimodiere Boulevard to Boulevard Des Hivernants North

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

AUTHORIZATION

Author	Department Head	CFO	CAO
D. Patman, P.Eng.	J. Berezowsky	C. Kloepfer	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

Route 165, east of Lagimodiere Boulevard is currently an open right-of-way, but is unimproved as shown in Figure 1. Both the 2011 Winnipeg Transportation Master Plan and South St. Boniface Area Structure Plan have identified plans to extend Route 165 from Lagimodiere Boulevard into the Rural Municipality of Springfield and connect with PTH 1/Fermor Avenue. The 2011 Winnipeg Transportation Master Plan identified this as medium term, however this is being reviewed as part of the Transportation Master Plan 2050. The Public Service is recommending completion of a small portion of the overall extension.

As per development agreements AG 30/12 and AG 19/16, Sage Creek Development Corporation (the "Developer") is required to either pay to the City the costs to construct one lane of Route 165 and all related works from Lagimodiere Boulevard to Plessis Road or to construct an equivalent length in Route 165, which generally results in constructing two lanes of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North.

The Developer has requested to construct two lanes of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North. This will provide a third access to the Sage Creek neighbourhood. As part of the extension, additional works are required on Lagimodiere Boulevard and on Route 165, west of Lagimodiere Boulevard to properly tie into the new lanes. The additional works are not the responsibility of the Developer.

The estimated costs of the total project are approximately $6.1 million. The Developer is responsible for approximately $3.3 million of the total costs and the City is responsible for approximately $2.8 million.

In order to expedite the delivery of this project, the Public Service is recommending that a portion of the works be constructed by the Developer while their construction company is mobilized and on site, with the City reimbursing the Developer for costs incurred via a contribution agreement. It is expected that completing these works as part of the Developer's project will save the City money as mobility costs and construction costs would be higher for stand alone projects.

RECOMMENDATIONS

1. That a new capital project in the amount of $2,780,000 be approved within the 2021 Regional Streets program for Intersection Improvements at Route 165 and Lagimodiere Boulevard and tie into the Route 165 Extension (Lagimodiere to Des Hivernants North), to be funded by transfers from the following capital projects:
   Project # 1807000117 – Developer Paybacks – Various Locations - $81,210
   Project # 1807000118 – Developer Paybacks – Various Locations - $1,810,607
   Project #1804000119 – Regional and Local Streets Renewal - $888,183

2. That the City be authorized to allow Sage Creek Development Corporation (the "Developer") to conduct construction work related to the extension of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North on the City's behalf and that the City reimburse the Developer for the costs of said work in excess of the Developer's responsibilities.

3. That the City enter into, execute and deliver an agreement with the Developer to reimburse the Developer for the costs of construction works in excess of the Developer's responsibilities related to the extension of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North (the "Contribution Agreement"), 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").

4. That the authority be delegated to the Chief Financial Officer to negotiate and approve the terms and conditions of the Contribution Agreement and the Ancillary Agreements, in accordance with this report and such terms and conditions deemed necessary by the City Solicitor/Director of Legal Services to protect the interests of the City.

5. That the proper officers of the City of Winnipeg be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

The Developer has requested to construct two lanes of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North. As part of the extension, additional roadworks are required on Lagimodiere Boulevard and on Route 165, west of Lagimodiere Boulevard to properly tie into the new lanes. The additional works are not the responsibility of the Developer. This report is to obtain authorization for the Public Service to reimburse the Developer for the works completed in excess of the Developer's responsibilities related to the extension of Route 165, east of Lagimodiere Boulevard.

Council approval is required to enter into a contribution agreement with the Developer and for the creation of a new capital project.

Budget for this work is not included in the 2021 Multi-year budget as Developer construction of the roadway was not anticipated within the 2021 to 2026 timeframe of the budget. Approval is being sought in advance of the 2022 Budget process in order to be able to coordinate the City's portion of the works with the roadway being constructed by the Developer.

IMPLICATIONS OF THE RECOMMENDATIONS

The cost estimate for the City's portion is $2.78 million (Class 3 estimate). The Public Service will work with the Developer's consultant to reduce costs where possible.

The extension of Route 165 will provide a third access to the Sage Creek neighbourhood and is expected to accommodate some existing traffic currently utilizing the intersection of Sage Creek Boulevard and Lagimodiere Boulevard and will accommodate additional traffic due to future development.

HISTORY/DISCUSSION

Route 165, east of Lagimodiere Boulevard is currently an open right-of-way, but is unimproved as shown in Figure 1. Both the 2011 Winnipeg Transportation Master Plan and South St. Boniface Area Structure Plan have identified plans to extend Route 165 from Lagimodiere Boulevard into the Rural Municipality of Springfield and connect with PTH 1/Fermor Avenue. The 2011 Winnipeg Transportation Master Plan identified this as medium term, however this is being reviewed as part of the Transportation Master Plan 2050. The Public Service has estimated that the extension of Route 165 between Lagimodiere Boulevard and PTH 1/Fermor Avenue may begin in 2025 at an estimated cost of $117 million. The Public Service is recommending completion of a small portion of the overall extension.

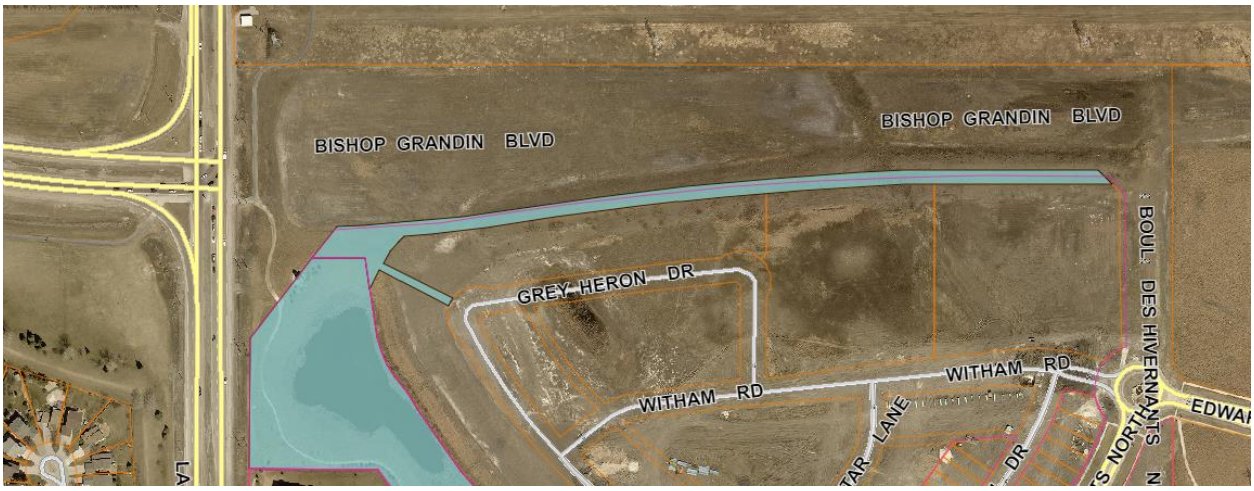

Figure 1: Image of Existing Route 165 right-of-way between Lagimodiere Boulevard and Boulevard Des Hivernants North (Source: I-View, 2018)

As per AG 30/12 and AG 19/16, the Developer is required to either pay to the City the costs to construct one lane of Route 165 and all related works from Lagimodiere Boulevard to Plessis Road or to construct an equivalent length in Route 165, which generally results in constructing two lanes of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North.

The Developer has requested to complete the construction of two lanes of Route 165 between Lagimodiere Boulevard and Boulevard Des Hivernants North. The Developer is also responsible for the following obligations related to the extension of Route 165:

- an eastbound right-turn storage lane and westbound left-turn storage lane, including but not limited to, upstream transitions, acceleration and deceleration lanes, and median opening on Route 165, at its intersection with Boulevard Des Hivernants North,
- sidewalk or multi-use pathway on the south side of Route 165, and
- 50% of the costs of installation of a traffic control signal at the intersection of Route 165 and Boulevard Des Hivernants North. The remaining 50% of the costs is expected to be the responsibility of the Developer north of Route 165, as part of a future development application.

The extension of Route 165 will provide a third access to the Sage Creek neighbourhood and is expected to accommodate some existing traffic currently utilizing the intersection of Sage Creek Boulevard and Lagimodiere Boulevard and will accommodate additional traffic due to future development.

As part of the extension, additional works are required on Lagimodiere Boulevard and on Route 165, west of Lagimodiere Boulevard to properly tie into the new lanes. The additional works are not the responsibility of the Developer. The City is responsible for the following:

- works on Route 165, west of Lagimodiere Boulevard, including reconfiguring and construction of eastbound left turn lane and repaving of through lanes,
- works on Route 165, east of Lagimodiere Boulevard, new eastbound through lanes to end of the northbound right turn cutoff,
- works on Lagimodiere Boulevard, including adding a second northbound left turn lane and right turn deceleration lane,
- intersection works, including repaving the intersection, all to tie into the Route 165 extension.

Project Funding

Based on the development agreement, the developer is only responsible for constructing a two lane roadway from Lagimodiere Boulevard to Boulevard Des Hivernants North. In order for the roadway to function efficiently and safely, the intersection at Route 165 and Lagimodiere Boulevard will require improvements as well as a tie into the new roadway.

Budget for this work is not included in the 2021 Multi-year budget as developer construction of the roadway was not anticipated within the 2021 to 2026 timeframe of the budget. Since the adoption of the budget, the developer has approached the city with intent to construct the new roadway within the next two years, with construction preferable in the summer of 2021.

As this project is not included in the 2021 Multi-year budget, funds needed to be identified from within the existing capital program. The Public Works department reviewed the current state of the various Developer Payback project accounts and identified surpluses available for transfer as follows:

- 2017 Developer Payback account, an amount of $300,000 was budgeted for the Warde Avenue right-of-way purchase for future grade separation at the CPR Emerson Subdivision crossing (AG 21/14). This has been completed at a cost of $218,790, leaving a surplus of $81,210 (funded by cash to capital).
- 2018 Developer Payback account, an amount of $7,937,000 was budgeted for the Twinning of Keewatin Street from north Inkster Blvd to Adsum Drive and Dr. Jose Rizal

Way from Adsum Drive to Water Ridge Path (AG 15/12). Cost incurred to date are $6,176,793 and it is forecasted that an additional $134,260 is required to complete the project, leaving a surplus of $1,625,947 (funded by external debt).

- 2018 Developer Payback account, an amount of $800,000 was budgeted for the extension of Warde avenue from Lagimodiere to Blvd Des Hivenants (AG 51/05). This has been completed at a cost of $615,340, leaving a surplus of $184,660 (funded by external debt).

The remaining $888,183 required to fund the project can be funded within existing resources of the Regional and Local Streets program by transferring funds from project #1804000119, which is unallocated budget in the Regional Streets program. For clarity, the cash to capital funding in this project relates to prior years surpluses (mainly from 2016) and now serves as contingency for the Regional and Local Streets program.

In order to expedite the delivery of this project, the Public Service is recommending that a portion of the works be constructed by the Developer while their construction company is mobilized and on site, with the City reimbursing the Developer for costs incurred via a contribution agreement.

FINANCIAL IMPACT

Financial Impact Statement **Date:** June 17, 2021

Project Name: **First Year of Program** **2021**

Intersection Improvements at Route 165 and Lagimodiere Boulevard with tie into extension of Route 165 from Lagimodiere Boulevard to Boulevard Des Hivernants

	2021	2022	2023	2024	2025
Capital					
Capital Expenditures Required	$ 2,780,000	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	2,780,000	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 36,212	$ 110,447	$ 110,447	$ 110,447	$ 110,447
Less: Incremental Revenue/Recovery	132,381	-	-	-	-
Net Cost/(Benefit)	$ (96,169)	$ 110,447	$ 110,447	$ 110,447	$ 110,447
Less: Existing Budget Amounts	(96,169)	110,447	110,447	110,447	110,447
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Total Capital Expenditures represent the estimated cost of $2,780,000.00. Subject to the approval of the recommendations of this report, costs will be charged to the newly created Public Works Capital Project in the Regional Street Program - *Intersection Improvements at Bishop and Lagimodiere* (Public Works Capital Project # 1804102321). Project budget will be consolidated from 1807000117 - Developer Paybacks ($81,210.00), 1807000118 - Developer Paybacks ($1,810,607.00), and 1804000119 - Regional and Local Street Renewals ($888,183.00). Incremental Revenue/Recovery represents estimated Departmental Overhead and Corporate Interest Overhead. Direct Costs represent estimated Debt and Finance charges on External Financing.

"signed by J. Ruby, CPA, CA"

J. Ruby, CPA, CA

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: Transportation
Prepared by: C. Desjardine, M.Sc., P.Eng., Traffic Assessment Engineer
Date: June 17, 2021

Attachments: Appendix A: Budget Sheet – Intersection Improvements at Route 165 and Lagimodiere Boulevard