Minutes – Executive Policy Committee – June 15, 2022

AUDIT COMMITTEE

Item No. 2 Intersection Signal Infrastructure Investigation

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

The Executive Policy Committee, in its capacity as the Audit Committee, concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That a 90-day extension of time be granted for the Audit Department to report back. The Department will submit a report to Council through the Audit Committee at the September 14, 2022 meeting.

DECISION MAKING HISTORY:

Moved by Councillor Browaty,

That the recommendation of the Winnipeg Public Service be concurred in and forwarded to Council.

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

Carried

David Grant submitted a communication dated June 14, 2022, with respect to the matter.

COUNCIL DECISION:

On February 24, 2022, Council passed the following motion:

Moved by Councillor Allard,
Seconded by Councillor Gillingham,

WHEREAS the Riel Community Committee passed the following motion on February 23, 2022;

WHEREAS there is significant concern in the public and on Council regarding potential waste and mismanagement of City of Winnipeg signal infrastructure;

AND WHEREAS information has recently been shared with the City Auditor regarding potential waste and mismanagement of the City of Winnipeg intersection signal infrastructure;

AND WHEREAS some of this information may suggest intersection signal infrastructure is being replaced before end of life, or intersection signal infrastructure is being relocated inconsistently, or that other intersection signal infrastructure work is being undertaken that does not appear to be necessary, or an efficient use of taxpayer monies;

THEREFORE BE IT RESOLVED that Council direct the City Auditor to initiate an investigation into the allegations of potential waste and mismanagement surrounding intersection signal infrastructure;

AND BE IT FURTHER RESOLVED that if the preliminary investigation suggests an expanded scope of investigation is appropriate and exceeds the current resource capacity and will require additional resources of the Audit Department that this be communicated to Council to secure the required resources to complete the investigation in a thorough and timely manner;

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

AND BE IT FURTHER RESOLVED that the City Auditor report back to Council in 120 days with the results of the preliminary investigation;

AND BE IT FURTHER RESOLVED that in the event that intersection signal infrastructure is being replaced before end of life, or intersection signal infrastructure is being relocated inconsistently or that other intersection signal infrastructure work is being undertaken that does not appear to be necessary or an efficient use of taxpayer monies, that the auditor provide recommendations for Council to consider for implementation to ensure signals installed are necessary and an efficient use of taxpayers monies.

ADMINISTRATIVE REPORT

Title: Intersection Signal Infrastructure Investigation

Critical Path: Audit Committee – Council

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Mansky City Auditor	B. Mansky City Auditor		

EXECUTIVE SUMMARY

The Council motion required the City Auditor to report back to Council by June 24, 2022 (one hundred twenty days (120) days). The scope of work necessary to competently assess the allegations of potential waste and mismanagement surrounding intersection signal infrastructure is extensive. The work includes:

- Develop an understanding of industry and technological factors that influence the design and construction of intersection signal infrastructure;
- Identify relevant governing laws, information systems, policies, procedures and practices undertaken in the Traffic Signals Division related to infrastructure change work;
- Identify and prioritize criteria to rank intersections for further analysis; and
- Select a sample of intersections for detailed review.

This background work is necessary prior to undertaking a detailed review of a selection of specific intersections. The extent of the work is significant and time consuming; an extension of time is required to allow the Audit Department sufficient time to complete this background work, test a sample of intersections and prepare a report.

RECOMMENDATIONS

That a 90 day extension of time be granted for the Audit Department to report back. The Department will submit a report to Council through the Audit Committee at the September 14, 2022 meeting.

REASON FOR THE REPORT

The report is being submitted in accordance with the City Organization By-law 7100/97 section 4 19(c)(ii) that Audit Committee will “Receive and review such Special Studies and forward such Reports, either in full, or in summary, to Council.”

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications as a result of the recommendation.

HISTORY/DISCUSSION

On February 24, 2022, Council adopted the following motion:

> That Council direct the City Auditor to initiate an investigation into the allegations of potential waste and mismanagement surrounding intersection signal infrastructure;
>
> That if the preliminary investigation suggests an expanded scope of investigation is appropriate and exceeds the current resource capacity and will require additional resources of the Audit Department that this be communicated to Council to secure the required resources to complete the investigation in a thorough and timely manner;
>
> That the City Auditor report back to Council in 120 days with the results of the preliminary investigation;
>
> That in the event that intersection signal infrastructure is being replaced before end of life, or intersection signal infrastructure is being relocated inconsistently or that other intersection signal infrastructure work is being undertaken that does not appear to be necessary or an efficient use of taxpayer monies, that the auditor provide recommendations for Council to consider for implementation to ensure signals installed are necessary and an efficient use of taxpayers monies.

A brief summary of the work performed to date includes:

- Engaged Deloitte LLP to provide supplemental resources with expertise in engineering, capital project works and forensics.
- Interviews conducted with relevant employees from the Public Works Department – Traffic Signals Division.
- Reviewed background material provided to the Audit Department including emails and videos.
- Documented a high-level chronological timeline of significant industry and technological factors that influence the design and construction of intersection signal infrastructure.
- Identified applicable governing laws, information systems, policies, procedures and practices undertaken in the Traffic Signals Division related to intersection signal infrastructure change work.
- Created a database of intersections asserted to illustrate wasteful or poor management practices along with a listing of key criteria to rank the relative risk at each intersection.
- Selected 15 intersections for a detailed review and completed the testing for one to confirm approach and resource requirements.

The City Auditor is confident that a report will be communicated within the revised timeframe. Very good progress has been made to date; however, the allegations were serious and a thorough methodology must be adhered to.

FINANCIAL IMPACT

Financial Impact Statement **Date:** June 3, 2022

Project Name:

Intersection Signal Infrastructure Investigation

COMMENTS:

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

Jocelyn Peters - June 3, 2022
Jocelyn Peters CPA, CGA
Manager of Finance & Administration (Campus)

CONSULTATION

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

OURWINNIPEG POLICY ALIGNMENT

Leadership and Good Governance

1. Establish and implement priority actions through evidence-informed decision-making processes.
2. Promote trust and government responsiveness through meaningful, inclusive and informed community engagement.
3. Achieve community-responsive service delivery through an aligned, integrated, collaborative and results-oriented organizational culture.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

The City of Winnipeg Audit Department provides assurance on the efficiency, effectiveness and economy of City programs and activities, thus enabling an organizational operating environment that promotes support of the vision and targets of the Winnipeg Climate Action Plan.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

N/A

SUBMITTED BY

Department: Audit Department
Prepared by: Bryan Mansky
Date: June 3, 2022

Attachments: None