

Minutes – Standing Policy Committee on Public Works – April 15, 2026

REPORTS

Item No. 5 Award of Contract for 2026 Downtown Pavement Renewals – St. Mary Ave, Edmonton St, and Kennedy St – Tender No. 3-2026

STANDING COMMITTEE DECISION:

The Standing Policy Committee on Public Works concurred in the recommendation of the Winnipeg Public Service and approved the following:

1. That an award be approved, and that the City award, enter into, execute, and deliver a contract to Darco Group Ltd., the firm that submitted the lowest responsive bid meeting all the requirements of the published Tender, in the estimated amount of \$12,623,377.00, plus G.S.T. based on the Unit Prices identified in the low bidder's Tender submission for 2026 Downtown Pavement Renewals – St. Mary Ave, Edmonton St, and Kennedy St – Tender No. 3-2026.
2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

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DECISION MAKING HISTORY:

Moved by Councillor Eadie,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

ADMINISTRATIVE REPORT

Title: Award of Contract for 2026 Downtown Pavement Renewals – St. Mary Ave, Edmonton St, and Kennedy St – Tender No. 3-2026

Critical Path: Standing Policy Committee on Public Works

AUTHORIZATION

Author	Department Head	CFO	CAO
A. Condon, P.Eng.	J. Berezowsky	T. Graham	J. Dunford

EXECUTIVE SUMMARY

The Public Service is recommending awarding a contract to Darco Group Ltd. in the amount of \$12,623,377.00, plus G.S.T., for 2026 downtown pavement renewals on St. Mary Avenue, Edmonton Street and Kennedy Street.

The project budget for downtown streets under the Regional Street Renewal Program was approved in the 2023, 2024 and 2026 Capital Budgets.

Increased funding would be provided through:

- an authorized first charge on the 2027 Capital Budget;
- contributions from the 2024 and 2025 Regional Street Tree Preservation and Replacement;
- 2026 Watermain Renewal; and
- 2026 Sewer Renewal Programs.

This contract would comply with the requirements of the various trade agreements and the City's Purchasing Policy.

RECOMMENDATIONS

1. That an award be approved, and that the City award, enter into, execute, and deliver a contract to Darco Group Ltd., the firm that submitted the lowest responsive bid meeting all the requirements of the published Tender, in the estimated amount of \$12,623,377.00, plus G.S.T. based on the Unit Prices identified in the low bidder's Tender submission for 2026 Downtown Pavement Renewals – St. Mary Ave, Edmonton St, and Kennedy St – Tender No. 3-2026.
2. 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

As the total conditional amount to be paid by the City pursuant to the contract exceeds \$10 million and there are sufficient funds in an approved budget, the Standing Policy Committee on Public Works approval is required pursuant to the Purchasing Policy F1-003.

IMPLICATIONS OF THE RECOMMENDATIONS

Downtown Street Renewals under the Regional Street Renewal Program are projected to occur between 2026 and 2028 and the locations are identified on page 62 of the Supplement to the 2026 Adopted Budget. The locations that comprise this contract are as follows:

St. Mary Avenue – Edmonton Street to Memorial Boulevard
Edmonton Street – Broadway Avenue to Portage Avenue
Kennedy Street – Cumberland Avenue to Ellice Avenue

The financial status of the project is as follows:

Authorized Funding:

Regional Downtown Streets (See Note 1)	\$ 21,729,850.00
2026 Pedestrian and Cycling Program - contribution (See Note 2)	420,000.00
2026 Watermain Renewal - contribution	678,490.80
2026 Sewer Renewal Program - contribution	24,386.00

Less:

2023-2027 Strategic Municipal Infrastructure Research	(108,650.00)
Prior Awards & Expenses - Consulting	(5,547,858.55)
Total Authorized Funding	\$ 17,196,218.25

Estimated Project Costs:*Public Works:*

Construction	\$ 11,920,500.20
Contingencies	631,168.85
Traffic Signals	500,000.00
Manitoba Hydro - underground	200,000.00
Bell MTS	10,000.00
Telus	10,000.00
Geomatics	60,000.00
Winnipeg Parking Authority - stall closures	100,000.00
Traffic Services	20,000.00
Engineering Administration	672,585.00
Interest Overhead	269,050.00
Administrative Overhead	100,000.00
Subtotal - Public Works	\$ 14,493,304.05

Water & Waste:

Construction - Water Main Renewals	\$ 678,490.80
Construction - Sewer Repairs	24,386.00
Subtotal - Water & Waste	\$ 702,876.80

Estimated Total Project Costs	\$ 15,196,180.85
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Estimated Remaining Budget	\$ 2,000,037.40
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Note 1:

Regional Downtown Streets:

2023-2024 & 2026 Adopted Budget – 10,085,000

2027 First Charge – authorized by Council on December 17, 2025 – 10,935,000

Regional Street Tree Preservation and Replacements:

2024-2025 Adopted Budget – contribution – 709,850

Note 2:

2026 Pedestrian and Cycling Program – Contribution from

Downtown Bicycle Network to support consulting costs previously awarded – 420,000

HISTORY/DISCUSSION

Based on the lowest tender submission by Darco Group Ltd., the total cost related to the above contract award, including contract works, contingencies, traffic signals, utilities, geomatics, traffic services, Winnipeg Parking Authority, and engineering administration, interest, and administrative overheads is estimated to be \$15,196,180.85.

Final receipt of bids was 12:00 noon on March 13, 2026. Six bids were received as follows:

Darco Group Ltd.	\$12,623,377.00
GIP Prairie Ltd.	\$12,848,202.00
J.C. Paving Ltd.	\$13,000,000.00
Bituminex Paving Ltd.	\$13,600,000.00
Maple Leaf Construction Ltd.	\$13,709,208.00
Bayview Construction Inc.	\$14,680,355.00

The bid submission recommended for acceptance is the lowest responsive bid, meeting all the requirements of the tender package.

The Manager of Purchasing has advised that the bid submission was accompanied by satisfactory bid security. The Departmental Controller has confirmed that the funds are approved and available. The proposed Contractor is certified in the Certificate of Recognition (COR) program with Construction Safety Association of Manitoba (CSAM).

The intend to award date is April 3, 2026. The lapse date for the award of this contract is May 12, 2026.

The Department and the engineering consultant have the opinion that the recommended bidder has the necessary experience and resources to perform all the work in accordance with the requirements of the tender package. The Contractor has satisfactorily carried out previous construction works of a similar nature for the City of Winnipeg.

Construction will not commence prior to the award of contract.

FINANCIAL IMPACT**Financial Impact Statement****Date:** March 30, 2026**Project Name:** First Year of Program **2026****Award of Contract for 2026 Downtown Pavement Renewals – St. Mary Ave, Edmonton St, and Kennedy St – Tender No. 3-2026**

	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
Capital					
Capital Expenditures Required	\$ 15,196,181	\$ -	\$ -	\$ -	\$ -
Less: Existing Budgeted Costs	15,196,181	-	-	-	-
Additional Capital Budget Required	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Funding Sources:					
Debt - Internal	\$ -	\$ -	\$ -	\$ -	\$ -
External	-	-	-	-	-
Grants (Identify)	-	-	-	-	-
Reserves, Equity, Surplus, Other	-	-	-	-	-
Total Funding	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Additional Capital Budget Required	<u>\$ -</u>				
Total Additional Debt Required	<u>\$ -</u>				
Current Expenditures/Revenues					
Direct Costs	\$ -	\$ -	\$ -	\$ -	\$ -
Less: Incremental Revenue/Recovery	1,041,635	-	-	-	-
Net Cost/(Benefit)	<u>\$ (1,041,635)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Less: Existing Budget Amounts	(1,041,635)	-	-	-	-
Net Budget Adjustment Required	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Additional Comments: The total estimated cost of \$15,196,180.85 will be funded by the Regional Street Renewal Program including a council authorized first charge on the 2027 Capital Budget and the 2026 Watermain and Sewer Renewal Programs. The cost will be allocated as follows: Public Works Capital Projects - (#1804001523 StMary Av-Edmonton to Memorial), (#1804001023 Edmonton-Broadway to Portage), and (#1804001323 Kennedy-Cumberland to Ellice), \$14,493,304.05; Water & Waste Capital Projects (#2013002426 – 2026 WMR PWD. C, \$678,490.80) and (#2039002526 – 2026-SMR PWD. C, \$24,386.00). Incremental Revenue/Recovery represents the estimated Departmental Engineering, Corporate Interest, and Administrative overheads associated with Public Works Capital projects.

J. Ruby, 2026-03-30

J. Ruby, CPA, CA
 Manager of Finance & Administration

CONSULTATION

This Report has been prepared in consultation with:

- Water & Waste Department
- Legal Services Department (as to legal issues)

OURWINNIPEG POLICY ALIGNMENT

Consideration was given as to whether this report connects to the OurWinnipeg Policy, and as an administrative process report, it was determined that the OurWinnipeg Policy is not applicable to this specific report.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and as an administrative process report, it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (WPRS), and as an administrative process report, it was determined that the WPRS is not applicable to this specific report.

SUBMITTED BY

Department: Public Works
Division: Engineering
Prepared by: J. Doerksen, C.E.T.
Date: March 31, 2026
File No: 24-C-01