REPORTS

Item No. 6 Road Safety Improvement Program Budget Increase for Jefferson Rail Crossing Project

STANDING COMMITTEE RECOMMENDATION:

The Standing Policy Committee on Public Works concurred in the recommendation of the Winnipeg Public Service and recommended to Council:

1. That an increase in the amount of $244,894.00 be made to 2025 Public Works Road Safety Improvement Program Capital Budget (Project #1831000526) funded by a transfer out of the Future Services Account.

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

DECISION MAKING HISTORY:

Moved by Councillor Sharma,

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

Carried

ADMINISTRATIVE REPORT

Title: Road Safety Improvement Program Budget Increase for Jefferson Rail Crossing Project

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

AUTHORIZATION

Author	Department Head	CFO	CAO
D. Patman, P.Eng.	D. Konowich acting for J. Berezowsky	T. Graham	J. Dunford

EXECUTIVE SUMMARY

The City is upgrading the rail crossing on Jefferson Avenue east of Dr. Jose Rizal Way. The stop signs will be replaced with a modern rail warning system with flashing lights.

As per the signed developer agreements, the City has collected monies up-front from developers to fund some of these upgrades. Funds in the amount of $244,894.00 are currently in the Future Services Account.

Council approval is required with draw upon these funds. This will increase the 2026 Public Works Road Safety Improvement Program Capital Budget by $244,894.00.

The total cost of the crossing upgrades is $562,689. The remaining amount will be covered by the Road Safety Improvement Program's approved budget. The project can only start once funds are transferred.

RECOMMENDATIONS

1. That an increase in the amount of $244,894.00 be made to 2025 Public Works Road Safety Improvement Program Capital Budget (Project #1831000526) funded by a transfer out of the Future Services Account.

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

Council approval is required to increase adopted capital budgets by the amounts received.

IMPLICATIONS OF THE RECOMMENDATIONS

Increasing the Road Safety Improvement Program Capital Budget will allow for a transfer of funds from the Future Services Account, which will enable the project to proceed.

HISTORY/DISCUSSION

The City is initiating a project to upgrade the rail crossing on Jefferson Avenue east of Dr. Jose Rizal Way from stop signs to a modern rail warning system with flashing lights. The location and an image of the crossing are shown in Figure 1 and Figure 2, below. Winnipeg has around 200 at-grade rail crossings and about 30 of the locations have stop signs to control the vehicles. A stop sign is appropriate to control vehicles in locations where there are low vehicle volumes, low train volumes, lower speeds and good sightlines. As the City grows, Jefferson Avenue has become increasingly busy. This rail crossing sees 12,000 vehicles per day, which is 10 times more vehicles than the next busiest rail crossing where vehicles are controlled by stop signs.

Canadian Pacific Kansas City Railway (CPKC) estimates that replacing the crossing surface and installing new signals with flashing lights and bells will cost **$562,689**.

Company	Location	Street name	Description		Estimated Costs
CPKC	Arborg Sub 3.4	Jefferson Ave	Crossing Surface	$	72,901.31
CPKC	Arborg Sub 3.4	Jefferson Ave	Rail Crossing Signals	$	489,788.00
				$	**562,689.31**

There is $244,894.00 in the future services account which was collected from developer obligations that specifically identified the funds for an upgrade to this rail crossing. The funding collected under a development agreement and currently held in the future services account represents 50 percent share of the cost of installation of automatic railway crossing protection on Jefferson Avenue. The developer obligations were paid prior to the works being required, resulting in the future services balance. When developer obligations are paid advance of the assets being constructed, the risk of cost increases is transferred to the City.

In order to consolidate the funds in the future services account with the funds available for rail crossing improvements in the Road Safety Improvement Program, the budget of the Road Safety Improvement Program must be increased by the same amount. The funds from the futures services account can then be transferred to the Road Safety Improvement Program so the project can be initiated.

The recommendation of this report is to increase the Road Safety Improvement Program by $244,894.00 so that the funds can be transferred and the project can be initiated.

Developer Contributions to the Future Services Account

Developer agreements, approved by Council may require developers to contribute towards certain infrastructure, such as rail crossing improvements. The amounts contributed by developers will vary and are specific to the development agreement approved by Council. In certain instances, the infrastructure is not immediately required and is intended to be constructed at some point in the future.

In certain circumstances, developers may have the option of providing cash up-front to the City to satisfy their obligation to the City. In cases where developers provide funding up-front to the City, the funds are held as a liability on the balance sheet in the Future Services Account. It is important to note that the amounts held in the Future Service Account are held for specific purposes and not available for other purposes.

Contribution amounts are based on estimates of the value of the works at the time of the agreement and if the developer does choose to satisfy their obligation by providing cash up-front to the City, the City is at risk for inflation that occurs between the time of agreement and the time of construction.

When the future event occurs that triggers the construction of the works contemplated in the development agreement, funds in the Future Services Account are to provide a funding source for the construction of the works.

In the case of this report, two developers were responsible for funding 50 percent of the cost to upgrade the railway crossing at Jefferson Avenue and contributed $244,984. The current estimated cost of the upgrades is $562,689, leaving $317,705 as the City's responsibility to fund from the 2026 Roads Safety Improvements program.

This report is seeking to increase the Road Safety Improvements project by $244,894 to draw the previously collected developer funding from the Future Services account.

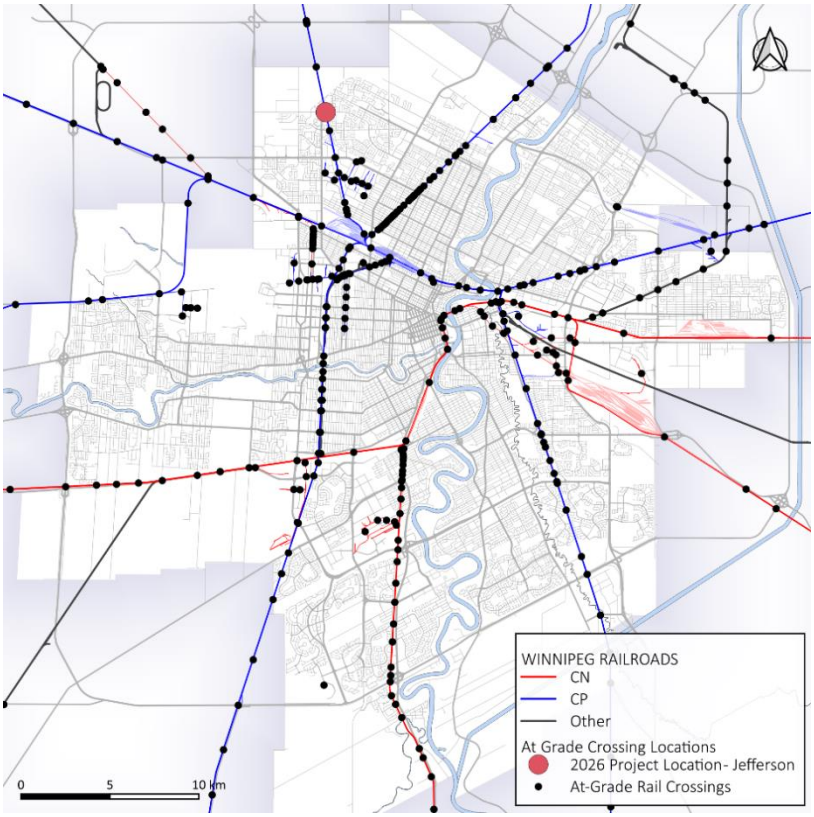

Figure 1 - Project Location

Figure 2 - Google Streetview Photo of the Rail Crossing

FINANCIAL IMPACT

Financial Impact Statement **Date:** February 25, 2026

Project Name: **First Year of Program** **2026**

Road Safety Improvement Program Budget Increase for Jefferson Rail Crossing Project

	2026	2027	2028	2029	2030
Capital					
Capital Expenditures Required	$ 609,111	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	364,217	-	-	-	-
Additional Capital Budget Required	$ 244,894	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Future Service Account	244,894	-	-	-	-
Total Funding	$ 244,894	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ -	$ -	$ -	$ -	$ -
Less: Incremental Revenue/Recovery	46,422	-	-	-	-
Net Cost/(Benefit)	$ (46,422)	$ -	$ -	$ -	$ -
Less: Existing Budget Amounts	(46,422)	-	-	-	-
Net Budget Adjustment Required	$ -	$ -	$ -	$ -	$ -

Additional Comments: Capital Expenditures Required represent the estimated cost of the required rail crossing works in the amount of $562,689.31 plus applicable City overheads. Existing Budgeted Costs represent the estimated amount of 2026 Road Safety Improvement Program (#1831000526) allocated to deliver this required work. Per the recommendations of this report the 2026 Road Safety Improvement Program budget would be increased by $244,894.00 supported by the future services funding. Incremental Revenue/Recovery represents estimated corporate interest, corporate administration, and departmental overheads.

J. Ruby, 2026-02-27

J. Ruby CPA, CA
Manager of Finance and Administration

CONSULTATION

This Report has been prepared in consultation with:
Property Planning and Development regarding financial matters.

OURWINNIPEG POLICY ALIGNMENT

This report is in accordance with OurWinnipeg2045 as per:

- ***Policy 2.9 Reduce Road Congestion***: Increase the efficiency, convenience, and usage of the active and public transportation system to improve air quality, provide a viable alternative to the automobile, and reduce current and future road congestion.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

There is a linkage between making Winnipeg's transportation network safer and more efficient with Key Direction 3.5 "Reduce Traffic Congestion".

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Public Works
Division: Transportation
Prepared by: Greg Blatz, P.Eng. Traffic Management Engineer
Date: February 27, 2026