**Agenda – Council – April 30, 2026**

**Report – Executive Policy Committee – April 21, 2026**

**Item No. 1 Mega Capital Projects Summary Report – NEWPCC Upgrade: Headworks Facilities**

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 21, 2026, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the following to Council:

1. That this report be received as information.

**Agenda – Council – April 30, 2026**

**Report – Executive Policy Committee – April 21, 2026**

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On April 21, 2026, the Executive Policy Committee concurred in the recommendation of the Winnipeg Public Service and submitted the matter to Council.

COUNCIL DECISION:

On December 18, 2025, Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

1. That the proposed governance framework for "Mega" projects, which is composed of the Governance Framework and the Assurance Plan outlined in Schedules 1 and 2 respectively, be approved and that the Public Service proceed to operationalize the framework and plan, including the following:

    A. The total project budget threshold for Mega projects be set at $500 million or greater.

    B. Enhanced monthly reports on Mega projects be made to Executive Policy Committee instead of quarterly reports to Standing Policy Committee on Finance and Economic Development.

2. That authority be delegated to negotiate and approve contract awards for the NEWPCC Upgrade projects, and the terms and conditions of the resulting agreements as determined necessary by the City Solicitor/Director of Legal Services, where the value of the contract does not exceed the following and there are sufficient funds in a Council-approved budget to award the contract:

    A. The Chief Administrative Officer, Chair of the Project Steering Committee, up to $50 million

    B. The Chief Financial Officer, up to $35 million

3. That authority be delegated to the Chief Administrative Officer, Chair of the Project Steering Committee, to approve contract over-expenditures for the NEWPCC Upgrade projects where there are sufficient funds in a Council-approved budget and the accumulated contract over-expenditure does not exceed the contingency allowance, which may be sub-delegated to the Chief Financial Officer.

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

4. That the City Solicitor/Director of Legal Services prepare a by-law to amend the City Organization By-law No. 7100/97 to designate Executive Policy Committee as having jurisdiction over the Mega Projects and the specific power and duty to consider and make recommendations to Council on matters relating to Mega Projects and bring same directly to Council for enactment.

5. That, effective February 2026, the following projects commence reporting to Executive Policy Committee as Mega projects:

    A. North End Sewage Treatment Plant ("NEWPCC") Upgrade Projects: Power Supply and Headworks Facilities

    B. North End Sewage Treatment Plant ("NEWPCC") Upgrade Projects: Biosolids Facilities

6. That the Public Service be directed to report back to Council in February 2027, one year after implementation of the new governance framework, with a review of the framework's ability to meet the intended objectives of the NEWPCC Upgrade Projects audit report, including any recommendations to enhance the Mega projects framework.

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

# MEGA CAPITAL PROJECT
# DASHBOARD EXECUTIVE SUMMARY REPORT

**Title:** **NEWPCC Upgrade: Headworks Facilities,**

**February 2026**

**Critical Path:** **Executive Policy Committee – Council**

## Recommendations

1. That this report be received as information.

## History/Discussion

The Project Steering Committee reviewed this report on April 7, 2026 and recommends that the report be sent to the Executive Policy Committee.

This report has Cost, Schedule, Health/Safety/Environment, and Quality updated to February 28, 2026. The remaining metrics are updated to March 31, 2026.

### Cost

No performance change from the previous period (green).

- $6.1 million was spent in February for a total of $439.7 million or 77.9% of the $565.355 million budget. Costs are tracking close to planned. Planned cost projections have been updated to align with the accepted re-baselined schedule.
- There were no approved contract changes in February.
- Pending contract changes:
    - A contract change in the amount of $74,750.19 for the Primary Clarification Upgrade was submitted to the Chief Financial Officer in March for required architectural, electrical, and structural modifications to the new Scum Dewatering Building that were identified during construction.
    - A contract change will be forthcoming for the Headworks project for additional contaminated soil removal associated with the stormwater detention system constructed in October.
    - A contract change will be forthcoming for the Ultraviolet Light (UV) Upgrades project for the supply and installation of alternative gates and for payment of an early completion bonus.
    - Additional contract changes will be forthcoming for construction and associated contract administration services for the broken feeder main.

**Schedule**

No performance change from the previous period (yellow).

- The revised re-baselined schedule was accepted on March 19, 2026. The schedule continues to be aggressive, which could result in delays. Planned schedule projections have been updated to align with the accepted re-baselined schedule.
    - The Design Builder is projecting a delay of up to three weeks for the completion of the Raw Sewage Testing milestone but expects to achieve Interim Completion, Substantial Completion, and Final Completion on-time.
- The Design Builder achieved their payment milestone targets.
    - They completed all payment milestones planned for February.
    - They completed an additional four payment milestones ahead of schedule in February that were originally planned for April.
- The Design Builder fell short on completion of planned construction and commissioning activities targeted in their schedule; mechanical and electrical activities progressed slower than planned.
- Construction continues with significant focus on electrical, mechanical, and HVAC work in several buildings. Testing of the raw sewage pump variable frequency drives is ongoing.
- Major milestones achieved this month include:
    - Headworks: The installation of the potable water supply to the facility, final tie-in to the existing Grit Area, and commissioning of the UV lift pumps and Standby Generator Building fuel system.
    - Distributed Control System (DCS) Migration: Migration of the Dewatering Area started on February 23, 2026 and was completed on March 25, 2026. Site investigations and Factory Acceptance Testing (FAT) in the Secondaries Area are underway.
    - Primary Clarification Upgrades: Concrete pours for the main floor and basement are ongoing. Mechanical demolition in the existing Primary Clarifier building commenced.
    - UV Upgrades: The UV system was reinstated March 13, 2026. After the UV system was reinstated, an operating issue with an existing UV gate channel actuator was identified. The existing UV gate actuator was replaced on March 31, 2026. Upgrades to the facility continue and are expected to be completed in fall 2026.
- The next critical path activities are flow testing of the raw sewage pumps which will be ongoing through April and testing of the screenings equipment which will be ongoing through May.

**Risk**

No performance change from the previous period (yellow).

- New:
  - None.

- Ongoing:
  - Ultraviolet Light (UV) Upgrade:
    - Environment: The UV shutdown poses a risk to river water quality. Ongoing monitoring is being performed as per Provincial approval. Preliminary results indicate the new UV system is meeting licence limits. This risk will be closed once sufficient operating data is available to demonstrate licence compliance.
  - Existing conditions: Tie-ins may be affected by existing conditions which could impact cost and schedule. Where possible, investigation of existing conditions is undertaken in advance of construction.
    - The existing City land drainage system connection is non-standard and presents maintenance issues. A change order enquiry was submitted to the Design Builder in December to address the issue. Response to the change order inquiry remains outstanding.
    - No condition issues with the existing NEWPCC outfall have been identified at the tie-in location.
  - Weather: Higher flows due to weather have the potential to significantly affect the timing of tie-ins and commissioning. Coordination and planning for upcoming weather sensitive shutdowns, commissioning, and tie-in work is underway.
    - A temporary steel liner is being installed in the NEWPCC outfall. The steel liner ensures the outfall to continues to operate while construction of the connection chamber occurs around it.
    - Flow testing of the new raw sewage pumps will occur throughout April to early May and will increase flow to the plant. If flow to the plant is too high, some tests may be delayed to prevent plant impacts. Overnight and weekend work may be required to maintain the testing schedule if high flows are encountered.
  - Design Builder performance: The Design Builder's schedule is aggressive which could result in delays. Progress monitoring is ongoing.
  - Environment:
    - Removal of contaminated soils will likely result in a topsoil shortfall during restoration.
    - The centrate tie-in work will likely take longer than the available shutdown window and has potential to create plant impacts. Options for this tie-in are being investigated.
    - Start-up of the new Headworks Facility may result in nuisance odour concerns until biological processes have stabilized. The new Headworks Facility will be brought online gradually to allow for this.
  - Construction method: A root cause analysis of the feeder main failure has been received and is under review. An insurance claim has been initiated and external legal services have been engaged. The feeder main was returned to service on February 11, 2026. Additional crossings of the feeder main are required for the land drainage system tie-in. Mitigation measures are in development.

- Closed:
  - Ultraviolet Light (UV) Upgrade:
    Equipment supply: The gates purchased under a supply contract for the UV Upgrade were not delivered by the date specified. This risk is now closed as alternative gates have been installed and the UV system was returned to service.

**Contingency**

No performance change from the previous period (yellow).

- A total of $21.3 million remains available in the contingency allowance.

**Community Engagement**

No performance change from the previous period (green).

- A news release was issued March 18, 2026 advising residents that UV treatment has resumed. Several news outlets covered the release.

**Health/Safety/Environment**

No performance change from the previous period (green).

- Full safety orientations are complete for Operations staff who will participate in the commissioning of the new Headworks Facility.
- All staff and visitors on the Headworks site must wear traction aids to reduce the risk of slips and falls.
- The new UV system was put into operation and disinfection of the effluent has resumed.
- The new UV system is projected to use approximately 75% less energy than the previous UV system. The project team will be collecting operational data on the new system over the coming months to confirm energy savings.

**Interface**

No performance change from the previous period (green).

- Coordination and planning are ongoing for flow testing of the new raw sewage pumps, shutdowns required for the outfall and Main Street Interceptor tie-ins, and Operator training.

**Other**

Quality: No change in performance compared to the previous month (green).

- There was one new Non-Conformance Report (NCR) opened and no NCRs were closed.

| SUBMITTED BY | |
|---|---|
| **Department:** | Water and Waste Department |
| **Division:** | Engineering Services |
| **Prepared by:** | Cynthia Wiebe, Manager of Engineering Services |
| **Date:** | April 10, 2026 |

## Appendices

Appendix A – Key Project Facts

| Appendix A – Key Project Facts | |
|---|---|
| **Project Name** | NEWPCC Upgrade: Headworks Facilities |
| **Business Owner (Department)** | Water and Waste Department |
| **Project Sponsor** | Tim Shanks, Director of Water and Waste |
| | |
| **Adopted Budget** | $795.95 million |
| **Class of Estimate (Adopted)** | Class 5 |
| **Range of Estimate (Adopted)** | -50% to +100%<br>$397.80 million to $1.591 billion |
| | |
| **Amended Budget** | $565.36 million |
| **Class of Estimate (Amended)** | Class 3 |
| **Range of Estimate (Amended)** | -20% to +30%<br>$452.284 million to $734.961 million |
| | |
| **Procurement Method** | Design Build |
| | |
| **Project Scope** | |
| The Power Supply and Headworks Facilities projects will address end-of-life equipment at the front end of the plant and upgrade the power supply to provide adequate power capacity for the NEWPCC Upgrade projects. The project design will accommodate expected influent flows and loads to 2037 and take into account future regulatory trends and long term planning to year 2067. | |
| | |
| **Mega Project Steering Committee Membership:**<br>- Joseph Dunford, Chief Administrative Officer (Chair)<br>- Tracy Graham, Chief Financial Officer<br>- Tim Shanks, Director of Water and Waste (Sponsor)<br>- Rob Taylor, Director of Assets & Project Management<br>- Jim Berezowsky, Director of Public Works<br>- Tom Sparrow, Chief Construction Officer | |