

City of Winnipeg

Administrative Report

Chief Construction Officer (CCO)

REPORT TYPE: Information Only

DATE:

SUBMITTED BY: Chief Construction Officer

Subject

**Pembina Highway Overpass at Abinojii Mikanah Rehabilitation and Related Works
Project – Assurance Update**

Recommendation

That this report be received for information.

Discussion

1. Project Overview

Project Details	Status
Approved Budget	\$30,500,000
Forecast at Ready-for-Takeover	\$30,500,000
Approved Ready-for-Takeover Date	October 16, 2026
Forecast Ready-for-Takeover Date	October 16, 2026
Delivery / Procurement Model	Traditional Design-Bid-Build
Current Phase	Construction

Project Classification:

☐ Mega Project (>\$500.0M)

☒ Major Capital Project (\$25.0M–\$500.0M)

Current Phase:

☐ Project Definition ☐ Procurement ☐ Design ☒ Construction ☐ Commissioning ☐ Operations

CCO Assurance Commentary:

The project remains aligned with the Council-approved budget, delivery model, and key milestone dates. The project remains in the construction phase and continues to progress through a staged delivery approach.

Southbound bridge and roadway works were completed and reopened to traffic in October 2025, while northbound construction activities are planned through the 2026 construction season. Funding for the project is now fully confirmed and no variance between approved and forecast cost or Ready-for-Takeover date has been identified at this stage.

2. Scope, Schedule & Financial Assurance

CCO Assurance Commentary:

The project remains aligned with the scope approved by Council, including bridge rehabilitation, roadway rehabilitation, active transportation improvements, intersection upgrades, and related utility and infrastructure works. Adjustments made during construction, including the change from rehabilitation to reconstruction of the westbound Abinojii Mikanah off-ramp and additional structural repair quantities identified in the field, were managed within the approved authority framework and have not resulted in a change to the Council-approved budget.

The approved project schedule remains in place, with Substantial Performance targeted for October 2, 2026 and Total Performance / Ready-for-Takeover targeted for October 16, 2026. Southbound bridge and roadway works were completed and reopened to traffic in October 2025, demonstrating successful staging and maintenance of traffic operations through the winter period. Remaining northbound works are scheduled for completion during the 2026 construction season under the existing construction contract.

The financial position of the project remains stable. The current Estimate at Completion remains aligned with the approved project budget of \$30.5 million. Contingency levels continue to be assessed as adequate relative to the remaining scope and residual construction risks. No active construction claims have been identified. Residual exposure related to fuel price escalation and market conditions remains under monitoring but is not currently forecast to materially affect the approved budget or delivery schedule.

3. Risk, Governance & Procurement

Assurance CCO Assurance Commentary:

The overall project risk profile is assessed as improving as the project advances through the construction phase. Several early-stage risks associated with market conditions, scope uncertainty, contractor availability, and utility coordination have either been resolved or materially reduced through competitive procurement, staged construction completion, and ongoing coordination with third-party stakeholders.

Residual risks remain associated with completion of the northbound construction phase, including traffic staging, utility coordination, seasonal construction pressures, and fuel price escalation provisions contained within the construction contract. These risks are considered manageable within the current delivery framework and contingency structure.

Project governance and reporting controls remain stable. Decision-making authority, approval processes, and reporting practices continue to support timely project execution and oversight. Procurement activities are substantially complete, with the Design-Bid-Build delivery model continuing to provide an appropriate allocation of construction and commercial risk for the remaining work.

4. Readiness

CCO Assurance Commentary:

Based on the information reviewed, project readiness remains on track for the remaining construction and turnover activities. Safety and quality management systems supporting the project are assessed as established and functioning appropriately. Major construction activities completed to date have been delivered without evidence of systemic quality or operational deficiencies.

Readiness activities for the 2026 construction season are progressing in alignment with the staged delivery plan. Coordination with utilities, transit operations, traffic management stakeholders, and external agencies continues to support project execution without material disruption to scope, schedule, or delivery confidence.

The remaining northbound construction works, associated repairs, and final turnover activities remain clearly defined within the current execution plan. No immediate concerns have been identified that would materially affect the project's readiness to achieve the approved Ready-for-Takeover date.

5. CCO Forward Look (Next 90 Days) and Confidence

Statement Forward Look (Next 90 Days)

The Chief Construction Officer will continue to monitor:

- Transition from winter operations into the 2026 northbound construction phase
- Traffic staging and operational impacts during peak construction activities
- Contingency utilization relative to remaining construction scope and residual field risks
- Fuel price escalation impacts and broader market conditions affecting construction costs
- Coordination with utilities, transit operations, and third-party stakeholders during remaining works
- Readiness activities supporting commissioning, turnover, and operational handover

Confidence Statement

Based on the information reviewed during this reporting period, the Chief Construction Officer's independent assessment of the project's ability to achieve Council-approved objectives is:

☐ High Confidence

☒ Moderate Confidence

☐ Low Confidence

Consultation

This report was prepared independently by the Chief Construction Officer using departmental materials and briefings as required for assurance purposes.

Council Considerations

This report is submitted for information only. No approvals, decisions, or direction are requested.

Attachments

- Appendix A – Standard Language and Background
- Appendix B – Early Warning Indicators Metrics

Appendix A – Standard Language and Background

Standard Standing Language

This report is provided for information only. The Chief Construction Officer's role is to provide independent assurance to Council regarding project readiness, risk exposure, and delivery confidence. Predictive indicators are included for early warning and assurance purposes only and do not constitute recommendations or requests for direction. No approvals or direction are requested unless explicitly stated.

Background

Council previously approved the project's scope, budget, and schedule through the 2023, 2024, and 2025 Capital Budgets and associated Quarterly Project Status Reports for the Pembina Highway Overpass at Abinojii Mikanah Rehabilitation and Related Works Project.

This report provides a periodic, independent assurance update in accordance with the Chief Construction Officer mandate. The CCO identifies, assesses, and communicates material risks and delivery confidence but does not manage or direct project execution.

Appendix B – Early Warning Indicators Metrics

1. Scope, Schedule & Financial Assurance Scope & Authority

- Alignment to Council-approved scope: ☒ Confirmed ☐ At Risk
- Material changes since last report: ☐ No ☒ Yes
 - The westbound Abinojii Mikanah off-ramp treatment was changed from rehabilitation to full reconstruction due to deteriorated field conditions identified during construction.
 - Additional structural and concrete delamination repair quantities were identified and incorporated into the construction work during execution.
 - Southbound bridge and roadway works were completed and reopened to vehicular and pedestrian traffic in October 2025, advancing the project into the next staged construction phase.
 - All project funding, including Provincial Strategic Infrastructure Basket funding, has now been confirmed and committed.
 - A fuel price escalation risk was identified in relation to the construction contract's fuel price adjustment clause, creating potential exposure to higher construction costs depending on market fuel prices during the remaining 2026 work period.
 - Minor southbound construction deficiencies were identified and are planned to be corrected by the contractor during completion of the northbound works in 2026.

Schedule & Delivery Confidence

- Council-approved schedule in place: ☒ Yes ☐ No
- Work plan stability: ☒ Stable ☐ Under pressure
- Time buffer remaining: ☒ Adequate ☐ Limited

Key Schedule Indicators:

- Schedule Confidence Index (SCI) - Chance of finishing on time
 - High
- Critical Path Volatility Trend - How often the main work plan is changing
 - Low / Stable

Financial & Commercial Position

Indicator	Status
Cost certainty	☐ High ☒ Moderate ☐ Low
Contingency sufficiency	☒ Adequate ☐ Marginal
Claims exposure	☒ None ☐ Potential

Forward-Looking Financial Indicators:

- Projected Contingency Sufficiency Index (PCSI) - Is there enough backup money left
 - Adequate
- Cost Exposure vs. Authorized Budget - Expected total cost compared to the approved budget
 - Aligned with Council-approved Budget
- Claim Probability Trend - Chance of future claims or disputes
 - Low

Risk, Governance & Procurement Assurance Risk Profile

Overall risk trajectory:

☒ Improving ☐ Stable ☐ Deteriorating

Risk Indicators:

- Risk Momentum Score - Are risks growing or shrinking
 - Shrinking
- Persistent Risk Count - How many risks keep showing up again and again
 - Low
- Risk Escalation Velocity - How quickly problems are getting worse
 - Low

Governance & Controls

- Decision-making clarity: ☒ Clear ☐ Requires monitoring
- Timeliness of approvals: ☒ Adequate ☐ Under pressure
- Reporting reliability: ☒ Sufficient ☐ Emerging gaps
- Decision Latency Trend - How long are decisions taking
 - Stable
- Approval Bottleneck Frequency - How often approvals are slowing things down
 - Low

Procurement & Market Exposure

- Procurement plan aligned to schedule: ☒ Yes ☐ Under review
- Contracting strategy appropriate to risk: ☒ Yes ☐ Needs watching

Procurement Indicators:

- Procurement Readiness Score - Is the project ready to buy what it needs
 - High
- Market Volatility Indicator - Are prices and supply stable or changing
 - Moderate to Low

2. Readiness

Safety, Quality & Readiness

- Safety systems: ☒ Adequate ☐ At risk
- Quality systems: ☒ Established ☐ Partial
- Commissioning / turnover readiness: ☒ On track ☐ Early risk
- Readiness to operate: ☒ On track ☐ Early risk

Stakeholder & External Dependencies

- External approvals: ☒ On track ☐ Need watching
- Inter-agency / Third-party dependencies: ☒ Managed ☐ Under pressure