Minutes – Executive Policy Committee – July 7, 2026

REPORTS

Item No. 3 Mega Capital Projects Summary Report – NEWPCC Upgrade: Biosolids Facilities

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

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

1. That this report be received as information.

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DECISION MAKING HISTORY:

Moved by Councillor Eadie,

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

Carried

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: Biosolids Facilities,**

May 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 June 22, 2026 and recommends that the report be sent to the Executive Policy Committee.

This report has Cost and Schedule updated to May 31, 2026. The remaining metrics are updated to June 17, 2026.

Cost

No performance change from the previous period (green).

- $5.2 million was spent this month for a total of $79.9 million or 7.7% of the $1.035 billion budget.
- There were no new approved or pending contract changes to report in May.
- New contracts forthcoming:
    - The Design Build Agreement (DBA) for construction of the Biosolids Facilities is anticipated to be awarded in July 2026.
    - The next phase of the Owner's Advisor contract for services during the DBA for $16,900,000.00 is anticipated to be awarded in July 2026.

Schedule

No performance change from the previous period (green).

- Schedule is on track for the Design Phase.
- Major milestones achieved this month include:
    - Biosolids:
        - The Class 2 Cost Estimate from the Development Partner was finalized on June 19, 2026 at a value of $815,480,876.72.

        - The Development Phase Agreement (DPA) Stage Gate 3 was achieved on June 19, 2026.
    - Land Drainage System (LDS): Connection of the next section of LDS along Foley Avenue and excavation of the dry pond is ongoing. Removal of contaminated soil is ongoing. CPKC flagging services and railway crossings are underway.
    - Utilidor and Site Preparation: Total Completion was achieved on May 28, 2026.
    - Northwest Interceptor (NWI) Lining: Total Completion was achieved on June 1, 2026.
    - Temporary Electrical Service Installation: Work has been delayed two weeks due to delivery timeframes. Total Completion anticipated in late July 2026.

- Upcoming milestones include:
    - Biosolids:
        - Award of the DBA for construction of the Biosolids Facilities is anticipated in July 2026.

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Risk

No change in performance compared to the previous period (yellow).

- Ongoing:
    - Cost and Schedule: A price and construction schedule has been successfully negotiated. This price will be recommended to EPC for their approval in July.
    - Market Conditions: The DBA terms and conditions have been successfully negotiated. The Design Builder will keep escalation, supply chain, and labour shortage risks. The City will retain tariff risk.
    - Permits/Approvals: The draft funding agreement is being reviewed and execution is anticipated prior to award of the DBA. Cost increases and schedule delays will occur if funding agreements are not in place.

- Closed:
    - Design: Value engineering changes have been implemented.
    - Market Conditions: Sourcing Plans have been received and were incorporated into the DBA to address tariff and supply chain risks.

Contingency

No change in performance compared to the previous period (yellow).

- Based on the DBA terms negotiated, a Quantitative Risk Assessment (QRA) was performed by an external risk expert for City-owned risks. The amount of contingency recommended by the external risk expert is available within the existing budget.

Community Engagement

No change in performance compared to the previous period (green).

- An episode of Our City, Our Stories on the Progressive Design Build delivery model went live on June 25, 2026.
- Further sidewalk closures associated with the LDS project will be required in July. Advance notice will be provided.

Health/Safety/Environment

No performance change from the previous period (green).

- There were no first aids, high potential near misses, recordable medical aids, lost time injuries, or environmental spill incidents.

Interface

No performance change from the previous period (green).

- Coordination with Public Works on the road closure along Ferrier Street is ongoing to ensure continued access to the Biosolids site.

Other

Quality: Performance increased from the previous period (green).

- No further quality issues have been identified.

SUBMITTED BY	
Department:	Water and Waste Department
Division:	Engineering Services
Prepared by:	Cynthia Wiebe, Manager of Engineering Services
Date:	June 17, 2026

Appendices

Appendix A – Key Project Facts

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Project Name	NEWPCC Upgrade: Biosolids Facilities
Business Owner (Department)	Water and Waste Department
Project Sponsor	Tim Shanks, Director of Water and Waste
Adopted Budget	$552.71 Million
Class of Estimate (Adopted)	Class 3
Range of Estimate (Adopted)	-20% to +30% $442.17 Million to $718.52 Million
Amended Budget	$1,035.00 Million
Class of Estimate (Adopted)	Class 3
Range of Estimate (Adopted)	-20% to +30% $828.00 Million to $1,345.50 Million

Project Scope

The Biosolids Facilities project will address end-of-life equipment and regulatory requirements regarding the recovery of nutrients and maximize biosolids reuse. It will add new facilities to treat the sludge from the City of Winnipeg's three sewage treatment plants and replace end-of-life equipment.

Mega Project Steering Committee Membership:

- Joseph Dunford, Chief Administrative Officer (Chair)
- Tracy Graham, Chief Financial Officer
- Tim Shanks, Director of Water and Waste (Sponsor)
- Rob Taylor, Director of Assets and Project Management
- Jim Berezowsky, Director of Public Works Department
- Tom Sparrow, Chief Construction Officer