Winnipeg

Chief Construction Officer
Chef de la construction

City Council
City of Winnipeg
510 Main Street
Winnipeg, MB R3B 1B9

July 3, 2026

To His Worship Mayor Gillingham and Members of Winnipeg City Council,

Re: Recommendation for Approval of the NEWPCC Upgrade – Biosolids Facilities Design-Build Agreement

Following my review of the Draft Execution Design-Build Agreement ("DBA") for the NEWPCC Biosolids Facilities Project, I am satisfied that the Agreement provides a comprehensive and well-balanced contractual framework for the successful delivery of this critical component of the North End Water Pollution Control Centre Upgrade.

The Agreement clearly establishes the respective responsibilities of the City and the Design-Builder and is supported by extensive technical requirements, defined performance standards, quality assurance provisions, and robust contract administration processes. The allocation of risk reflects recognized design-build principles by assigning responsibility to the party best positioned to manage it, helping to achieve value for money while avoiding unnecessary contractor contingencies. Equally important, the City's retained risks are clearly defined and can be effectively managed through disciplined contract administration, proactive monitoring of schedule, cost and quality, and consistent application of the Agreement's notice, reporting and claims management provisions throughout the life of the Project.

I would also like to recognize the outstanding work of the City's project team, technical advisors and legal counsel. The extensive due diligence, technical investigations, collaborative planning and careful contract development undertaken during the procurement process are reflected throughout the Agreement and its supporting schedules. The result is a mature and well-structured Design-Build Agreement that compares favourably with those used on major Canadian infrastructure projects and provides Council with confidence that the Project has been responsibly planned and procured.

Recommendation

Based on my review, I conclude that the Draft Execution Design-Build Agreement provides a sound contractual and commercial framework for delivery of the NEWPCC Biosolids Facilities Project. I recommend that Winnipeg City Council approve the Agreement and continue to support disciplined contract administration and proactive risk management throughout the Project to protect the City's interests and achieve the intended value of this significant investment.

Sincerely,



Tom Sparrow
Chief Construction Officer

cc. Joseph Dunford, Chief Administrative Officer
Tracy Graham, Chief Financial Officer
Matt Dryburgh, Deputy Chief Administrative Officer
Tim Shanks, Director, Water & Waste Department