Agenda – Standing Policy Committee on Finance and Economic Development – September 14, 2026

REPORTS

Item No. 1 **North Garage Replacement**
Project ID: 4210000421
Quarterly Project Status Report No. 12
For the Period Ended June 30, 2026

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

1. That the financial status of the North Garage Replacement ("the Project"), as contained in this report, be received as information.

ADMINISTRATIVE REPORT

Title: **North Garage Replacement**
Project ID: 4210000421
Quarterly Project Status Report No. 12
For the Period Ended June 30, 2026

Critical Path: **Standing Policy Committee on Finance and Economic Development**

AUTHORIZATION

Author	Department Head	CFO	CAO
J. Crowder	G. Ewankiw	T. Graham	M. Pittet Acting for J. Dunford

EXECUTIVE SUMMARY

Project On Schedule: Yes þ No ☐ **Project On Adopted Budget: Yes þ No ☐**

Percent of Schedule Complete: 71% **Percent of Adopted Budget Spent:** 34%

This is the twelfth quarterly report for this project.

The project schedule is approximately 71 percent complete. Construction is 42 percent complete.

On-site construction continues focusing on:

- Structural works on grade beam installations and concrete slab decks;
- Structural steel erection; and
- Exterior wall framing and boarding, and masonry wall installation.

The Advisory Committee has reviewed this report. It recommends that the report be sent to the Standing Policy Committee on Finance and Economic Development.

RECOMMENDATIONS

That the financial status of the North Garage Replacement ("the Project"), as contained in this report, be received as information.

REASON FOR THE REPORT

Major Capital Projects are required to report quarterly to the Standing Policy Committee on Finance and Economic Development. The threshold for reporting is reviewed at the beginning of each multi-year budget cycle and revised, if required, for Council consideration. For the 2024-2027 multi-year budget cycle Council approved that the threshold be maintained at $25

million. The Standing Policy Committee on Finance and Economic Development may also request reporting on any capital project.

IMPLICATIONS OF THE RECOMMENDATIONS

There are no implications associated with receiving this report as information.

HISTORY/DISCUSSION

See Appendix C – Key Project Events (History)

Construction Phase (Update from last report)

Up to the end of June 2026, on-site construction progressed across multiple sectors despite weather challenges that included high temperatures requiring specialized concrete curing and heavy rains that temporarily halted excavation and roofing.

Key achievements from the last report include finishing structural steel assembly, completing steel roofing and finalizing concrete pours for grade beams and mezzanine slabs. Additionally, building-wide mechanical infrastructure (ducting and conduit) was installed, parking lot excavation and backfilling were completed and wall framing, masonry, and waterproofing advanced through multiple sections.

On April 1, 2026, the Chief Financial Officer approved the first Contract Over-Expenditure for Construction of the North Garage Replacement Project 593-2024B to PCL Constructors Canada Inc. in the amount of $3,710,470.63 (MRST as applicable, GST excluded). The over-expenditure is for several changes related to construction initiation subgrade reinforcement, addition of a voltage regulator (value of $837,443.43 was allocated to the Transition to ZEB program as it is required to accommodate ZEBs in the facility), lack of suitable clay onsite and design changes between the issued for tender and issued for construction drawings.

On June 30, 2026, the Chief Financial Officer approved the second Contract Over-Expenditure for Construction of the North Garage Replacement Project 593-2024B to PCL Constructors Canada Inc. in the amount of $1,487,877.28 (MRST as applicable, GST excluded), for a total accumulated over-expenditure of $5,198,347.91 ($4,360,904.48 of which is being charged to the North Garage Replacement project). The total contract cost, including this over-expenditure, is $171,840,585.85 (MRST as applicable, GST excluded). This over-expenditure is for several changes related to differences between the design and constructability of the building.

Table 1 – Contracts

Contracts							
Bid Opportunity #	**Company Name**	**Description**	**Original Contract Award Value (GST & MRST extra as applicable)**	**Total Approved Over-Expenditures (Over-Expenditure amount only)**	**Date of Award**	**Date of Total Completion**	**Estimated % Complete**
Single Source	Colliers Project Leaders Inc.	Professional Consulting Services for Procurement Options Qualitative Evaluation	$ 65,600.00	-	May 4, 2022	Sep 15, 2022	100%
Single Source	WSP Canada Inc.	Professional Consulting Services for Conceptual Layout at New North Garage Location, Oak Point Highway	$ 21,450.00	40,750.00	Jun 14, 2022	Mar 19, 2024	100%
980-2022	Dillon Consulting Ltd.	Professional Consulting Services for Owner Advocate Project Manager for North Garage Replacement	$ 1,060,000.00	$ 2,861,216.48	Feb 28, 2023		56%
Single Source	Manitoba Hydro	Load Interconnection Facility Study	$ 50,000.00		Apr 3, 2024	Nov 6, 2024	100%
520-2023	AECOM Canada Ltd.	Professional Consulting Services for Detailed Design, Tender for Construction and Contract Administration of the North Garage Replacement project	$ 5,781,268.00	$ 522,703.15	Nov 9, 2023		99%
Single Source	Shurwood Forest	Tree removal, mowing and clearing	$ 48,536.00		Feb 10, 2025	May 6, 2025	100%
Single Source	J & D Penner Ltd.	Excavation of existing MB Hydro natural gas line	$ 5,000.00		May 11, 2025	Sep 17, 2025	100%
593-2024	PCL Constructors	Construction of North Garage replacement.	$ 166,642,237.94	$ 4,360,904.48	July 18, 2025		27%
847-2025	Manitoba Hydro	Design and Construction of a 66 kV Line Connection	$ 5,000,000.00		November 6, 2025		0%
216-2026	Manitoba Hydro	Construction for the lowering of a gas line at Oak Point Garage	$ 200,000.00		February 27, 2026	May 13, 2026	100%
		Total	**$ 178,874,091.94**	**$ 7,785,574.11**			

Upcoming Procurements:

Description	**Anticipated Award Date**
Professional Consulting Services for Construction and Post-Construction of the North Garage Replacement Project.	Q3, 2026

Schedule (Update from last report)

The key schedule milestones for the Project have been updated in Table 2.

Table 2 – Milestones

Milestones					
	Deliverable	Original Targeted Completion Date	Revised Targeted Completion Date	Actual Completion Date	Estimated % Complete
1	Design Consultant Contract	2023 Q3	2023 Q4	10-Nov-23	100%
2	Preliminary Design	2024 Q1	2024 Q1	28-Mar-24	100%
3	Detailed Design	2024 Q2	2025 Q1	25-Apr-25	100%
4	Construction Contract Award	2024 Q3	2025 Q3	18-Jul-25	100%
5	Substantial Performance	2026 Q4	2027 Q4		42%
6	Total Performance	2027 Q1	2027 Q4		0%

Risk (Update from last report)

No new risks have been identified but three risks associated with the project contingency, long lead time and impacts from tariffs remain ongoing. The project contingency remains a very high-risk item and is not sufficient to complete the project. The project team continues to evaluate options to remain within the approved budget but without further funding, completion of project is at risk and further scope may need to be deferred which could impact opening and operation of the facility.

Table 3 – Significant Risks and Mitigations Strategies

Significant Risks and Mitigation Strategies	
Risk Statement and Explanation	**Risk Mitigation Management Plan**
New:	
N/A	N/A
Ongoing:	
Delays from receiving long lead time electrical equipment may impact schedule.	Continue to work with suppliers to ensure deadlines are met; request an extension from Manitoba/Canada.
Reduced project contingency.	Closely monitor and review project costs to ensure they are within planned estimates. Request additional funding if required. Reallocate applicable scope to ZEB and PTNI projects where possible.

Impacts on the project from tariffs between the US and Canada.	Advance ordering of goods has mitigated some tariffs impacts but other items are still to be determined. Continue to monitor the tariffs and mitigate within the project to the degree possible.
Mitigated:	
N/A	N/A

Financial (Update from last report)

For further information, refer to Appendix B – Financial Forecast.

As of June 30, 2026, the City of Winnipeg has submitted twelve financial claims to the Province of Manitoba for payment totaling $21,166,231.28 for the Manitoba and Canada portion and the City has received $21,166,231.28.

Funding (Update from last report)

The total current adopted budget is presented in Table 4 below.

For additional information, refer to Appendix C - Key Project Events for historical details.

Table 4 – Project Funding Forecast

Funding Forecast				
Funding Source	**Adopted Budget [1] (in thousands)**	**Amended Budget (in thousands)**	**Forecasted Budget (in thousands)**	**Committed [2] (in thousands)**
Class of Estimate	**Class 3**			
City of Winnipeg				
Cash to Capital	450	450		450
Retained Earnings	4,500	4,500		4,500
External Debt	61,247	61,247	-	61,247
Federal Government of Canada				
Investing in Canada Infrastructure Program (ICIP)	73,023	73,023	-	73,023
Province of Manitoba				
Investing in Canada Infrastructure Program (ICIP)	60,846	60,846	-	60,846
Total	**200,066**	**200,066**	**-**	**200,066**

[1] 2021 - 2025 adopted budgets.

[2] Total committed approved by Council on April 29, 2021.

Property Acquisition (Update from last report)

No changes from last report.

Stakeholder Engagements/Communications (Update from last report)

No changes from last report.

Subsequent Events after Report Period End Date

N/A

FINANCIAL IMPACT

Financial Impact Statement Date: July 23, 2026

Project Name:
North Garage Replacement
Project ID: 4210000421
Quarterly Project Status Report No. 12
For the Period Ended June 30, 2026

COMMENTS:

There is no financial impact from the recommedation in this report as it is for information only.

Laurie Fisher July 23, 2026
Laurie Fisher, CPA, CA
Manager of Finance & Administration

CONSULTATION

This Report has been prepared in consultation with:

N/A

OURWINNIPEG POLICY ALIGNMENT

Goal: Environmental Resilience

Objective 2: Prioritize sustainable transportation as the mobility options of choice

Policy: Prioritize sustainable transportation as the mobility options of choice. Transition to a sustainable transportation system that safely and efficiently moves people, goods and services, increases access to a variety of affordable mobility choices, encourages less reliance on personal vehicle travel, reduces travel time, mitigates congestion and related greenhouse gas emissions, and supports the development of denser, better-connected, healthy and complete communities.

Goal: Environmental Resilience

Objective 3: Promote low-carbon, energy-efficient buildings through low-energy building design, construction and retrofitting

Policy: Reduce energy demand, consumption and greenhouse gases associated with new and existing buildings, working towards carbon-neutral buildings. Provide facilitative tools, resources, and incentives, to support green building.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Strategic Opportunity #5: Low Carbon and Energy Efficient Buildings. In order to lower energy and greenhouse gases used in Winnipeg's new and existing buildings, the City and community need to find better ways to understand the energy use and emissions from buildings and provide builders with the tools and resources (where needed and feasible) to support these retrofits and designs.

Strategic Opportunity #3: Advancing Sustainable Transportation. Direction 3.1 Increase Use and Efficiency of Public Transit Systems.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Goal 5(b) Transportation System Equity is Enhanced – improvements to transportation and transit infrastructure and services prioritize areas of higher poverty, and increased interconnectivity to employment and affordable goods and services.

SUBMITTED BY

Department:	Transit
Division:	Asset Management Office
Prepared by:	Chris Mart, Project Manager
Date:	August 6, 2026

Appendices

Appendix A – Key Project Facts

Appendix B – Financial Forecast

Appendix C – Key Project Events (History)

Appendix A – Key Project Facts

Appendix A – Key Project Facts	
Project Name	North Garage Replacement
Business Owner (Department)	Transit
Project ID	4210000421
Project Sponsor	Greg Ewankiw
Department Responsible for Project Delivery	Transit
Consultant Engineer (Company Name)	Dillon Consulting Ltd.
Adopted Budget	$200.066M
Class of Estimate (Adopted)	3
Range of Estimate (Adopted)	-20% to +30%, $160.053M to $260.086M
Amended Budget	N/A
Class of Estimate (Amended)	N/A
Range of Estimate (Amended)	N/A

Project Scope

North Garage Replacement - Project Overview

The North Garage Replacement project consists of the relocation and replacement of the existing North Garage facility located at 1520 Main Street. The project involves the construction of an approximately 39,500 square metre energy efficient bus storage and maintenance facility that is planned to include space for approximately 225-265 buses, indoor fueling stations, bus washing station, parts and storage receiving area, as well as bus maintenance and repairs shops. The facility will be designed to accommodate a new fleet of zero-emission buses and the required infrastructure for their fueling, maintenance and operation. Once completed, the Project will result in the improved capacity of public transit infrastructure and improved quality, and/or safety of existing and/or future public transit.

North Garage is Winnipeg Transit's oldest facility, having opened in the 1950's as a streetcar storage facility called North Car House. The facility is functionality obsolete, and is in poor condition. The risk of North Garage becoming unusable due to further deterioration of the facility is likely Winnipeg Transit's most significant operational risk. North Garage was designed for vehicles of another era, and cannot accommodate articulated buses, buses with bike racks, or even the newer buses in Transit's fleet equipped with roof-mounted air conditioners. It cannot be upgraded to accommodate zero-emission buses. The design and construction of a new Transit bus parking, servicing, maintenance and repair garage to replace North Garage is vital in order to mitigate the current risks to Winnipeg Transit's operations, to allow for the replacement of 40-foot buses with 60-foot buses, and to allow for the expansion of the zero-emissions bus fleet beyond 2027. The added capacity of a replacement for North Garage is also needed for Winnipeg Transit to consider the adoption of new vehicle types. The land and design will have the required infrastructure for two dozen zero emmission buses as well as provisions for a full electrified garage.

Appendix A – Key Project Facts

Appendix A - Key Project Facts - Continued

Major Capital Projects Advisory Committee Membership:

The Asset Management Administrative Standard FM-004 requires all projects with a total estimated cost of $25 million (2023) or more report quarterly to the Standing Policy Committee on Finance. This threshold is adjusted for construction inflation as part of the Multi Year Budget process. The Standing Policy Committee on Finance and Economic Development may also request reporting on any capital project.

Greg Ewankiw, Director, Transit (chair)
Tracy Graham, Chief Financial Officer
Jesse Crowder, Manager, Asset Management Office, Transit
Rob Taylor, Director, Assets and Project Management
Danny Tooth, A/Manager, Major Projects Oversight
Matt Dryburgh, Interim Deputy Chief Administrative Officer
Tim Shanks, Director, Water and Waste
Marc Pittet, Interim Deputy Chief Administrative Officer
Cindy Desjardine, Traffic Assessment Engineer, Public Works

Appendix B – Financial Forecast

Appendix B - North Garage Replacement Financial Forecast
As at June 30, 2026

Project Component Deliverables	Budget (in 000's)			Expenditure Forecast (in 000's)					Surplus (Deficit) From Amended Budget	Variance Last Report	Change in Variance
	Adopted Budget *	Council Approved Change [1]	Amended Budget *	Actual Costs To June 30, 2026	Projected Costs 2026	Projected Costs 2027	Projected Costs 2028	Total Forecasted Costs			
Engineering, Design and Other	$ 32,123	$ (20,313)	$ 11,810	$ 8,496	$ 2,754	$ 2,366	$ -	$ 13,616	$ (1,806)	$ (390)	$ (1,416)
Construction	$ 115,601	$ 53,899	$ 169,500	$ 48,978	$ 78,067	$ 47,637	$ -	$ 174,682	$ (5,182)	$ (4,014)	$ (1,168)
Land Acquisition	$ 9,835	$ (1,235)	$ 8,600	$ 8,498	$ 82	$ 20	$ -	$ 8,600	$ -	$ -	$ -
Internal Financing/Overhead Costs	$ 6,198	$ (3,042)	$ 3,156	$ 1,177	$ 1,675	$ 304	$ -	$ 3,156	$ -	$ -	$ -
Contingency	$ 36,309	$ (29,309)	$ 7,000	$ -		$ 12	$ -	$ 12	$ 6,988	$ 4,404	$ 2,584
Total Project Budget	**$ 200,066**	$ -	$ 200,066	$ 67,149	$ 82,578	$ 50,339	$ -	$ 200,066	$ -		

% of Project Budget Spent (Actual Costs to Date / Adopted & Amended Budget)	33.6%		33.6%

Project budget of $200,066 as approved by Council on April 29, 2021

[1] Reallocation required due to award of construction contract and subsequent approved over-expenditures greater than original estimate. No impact to overall budget.

Project #	Adopted Budget [1] (in thousands)	Total Budget (in thousands)	Actual Costs (in thousands)
4210000421 [1]	200,066	200,066	67,149
Total	200,066	200,066	67,149

[1] 2021, 2022, 2023, 2024 and 2025 approved capital budgets consolidated into project 4210000421.

Appendix C – Key Project Events (History)

On April 29, 2021, Council directed the Public Service to submit the North Garage Replacement project to the Investing in Canada Infrastructure Program (ICIP) for Federal and Provincial funding under the Public Transit Infrastructure Stream (PTIS), subject to written confirmation of Federal and Provincial funding that is satisfactory to the Chief Financial Officer, including the 2021 Adopted Capital budget and 2022 to 2026 Five-Year forecast be amended to include $200.066M for the project.

On December 16, 2021, Council approved the 2022 Capital Budget and amended the 2023 to 2027 Five-Year budget to include $198.415M allocated to the North Garage Replacement. The project total of $200.066M also includes $1.651M from the approved 2021 budget.

On November 16, 2022, the City received notification from the Province that the North Garage Replacement was approved for Federal and Provincial funding under the ICIP-PTIS stream. The notification outlined maximum eligible costs of $182,557,000 with a maximum $73,022,800 Federal and $60,846,248 Provincial contribution, respectively.

On December 5, 2022, the Province provided interim information regarding the project contribution agreement, including an effective start date of October 25, 2022. Only expenditures signed on or after this date are eligible for reimbursement, with the exception of Climate Lens Assessments.

On January 9, 2023, the Standing Policy Committee on Property and Development approved the acquisition of the 4-acre property required for the project located at 100 Oak Point Highway.

On June 1, 2023, the Standing Policy Committee on Property and Development approved a report for the expropriation of the 10-acre property required for the project; lots 52, 56 and 57 Plan 24342 on the south side of Selkirk Avenue, west of Oak Point Highway.

On September 29, 2023, Council confirmed the expropriation of the 10-acre property required for the project; lots 52, 56 and 57 Plan 24342 on the south side of Selkirk Avenue, west of Oak Point Highway.

On November 9, 2023, the Standing Policy Committee on Public Works approved a report for the award of contract for Professional Consulting Services for Detailed Design, Tender for Construction and Contract Administration of the North Garage Replacement to AECOM Canada Ltd.

The Contribution Agreement under the Investing in Canada Infrastructure Program was signed by the City and the Province on March 19, 2024.

On September 12, 2024, the Public Service presented an administrative report to Standing Policy Committee on Public Works recommending deferral of scope elements to bring the estimated budget shortfall to $80 million and plan to deliver deferred amenities in future phases.

On September 26, 2024, Council approved the Standing Policy Committee on Public Works recommendation to reduce the scope of the current project to match the existing approved budget of $200.066 million.

On February 10, 2025, the Purchasing Division awarded a contract to Shurwood Forest, in the amount of $48,536.00 for site tree removal and mowing.

On May 2, 2025, the Chief Financial Officer approved the non-award of the tender for Long Lead Electrical Equipment due to the fact that all three bidders presented non-responsive bids. The required items have been incorporated into the facility construction contract.

On July 17, 2025, Council approved the award of contract PCL Constructors Canada Inc. for the Construction of the North Garage Replacement, at an estimated cost of $166,642,237.94 (MRST included GST extra). PCL Construction was subsequently awarded the contract for construction of the North Garage Replacement on July 18, 2025. To ensure that the project remains within the approved budget, items such as fit and finishes, asphalting the parking lot, site fencing, a second wash rack, and bus storage space have been deferred from the initial construction.

On November 6, 2025, the Standing Policy Committee on Public Works approved a Single Source award for the Design and Construction of a 66 kV Line Connection to the new facility with Manitoba Hydro, in the estimated amount of $5,000,000.