Agenda – Council – January 26, 2005

Report - Executive Policy Committee – January 19, 2005

Item No. 3 Urban Transportation Showcase Program / WinSmart
File GC-11

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 19, 2005, the Executive Policy Committee concurred in the administrative recommendation and submits the following to Council:

1. That the Chief Administrative Officer be delegated the authority to negotiate and settle the terms and conditions of a Contribution Agreement with Transport Canada to confirm the City of Winnipeg's participation in the Urban Transportation Showcase Program together with such supplementary and ancillary agreements or documents as deemed necessary.

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

Report - Executive Policy Committee – January 19, 2005

DECISION MAKING HISTORY:

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On January 19, 2005, the Executive Policy Committee concurred in the administrative recommendation and submitted the matter to Council.

RE: **Urban Transportation Showcase Program/WinSmart – Delegated Authority to the CAO to Negotiate and Sign a Contribution Agreement with Transport Canada.**

FOR SUBMISSION TO: Executive Policy Committee

ORIGINAL REPORT SIGNED BY: Annitta Stenning, Chief Administrative Officer

REPORT DATE: January 7, 2005

RECOMMENDATION(S):
That Council delegate authority to the Chief Administrative Officer to negotiate and settle the terms and conditions of a Contribution Agreement with Transport Canada to confirm the City of Winnipeg's participation in the Urban Transportation Showcase Program together with such supplementary and ancillary agreements or documents as deemed necessary.

Report Summary

Key Issues:

- On May 21, 2003, EPC passed a motion endorsing the City's application – WinSmart - to Transport Canada's Urban Transportation Showcase Program (UTSP). The purpose of the UTSP is to encourage municipal innovation in public transportation to reduce greenhouse gas emissions.
- The WinSmart package, which was developed in partnership with the Provincial government, included 26 different sustainable transportation initiatives at a total cost of $14.3 M over three years (ending in 2007) to be cost shared by the three levels of government.
- On December 1, 2003, Winnipeg was selected by Transport Canada as one of nine municipalities across Canada to participate in the UTSP.
- Upon award of the project, the administration reviewed WinSmart in preparation for entering into a Contribution Agreement with Transport Canada. A number of meetings were also held with Provincial staff to seek clarification regarding their financial contribution and partnership in this program.
- As a result of this due diligence process, and owing to budget constraints and the passage of time since the UTSP was initiated, a new option for implementing WinSmart was developed in consultation with Provincial staff.
- The revised WinSmart package now includes 18 different sustainable transportation initiatives at a total cost of $11 M over three years (ending in 2007) to be cost shared by the three levels of government.
- Both the Provincial government and Transport Canada have indicated that they support the revised WinSmart package.
- Though WinSmart is unique among applicants to the program in that the province is a partner, the UTSP is a Federal – Municipal program and, as such, the City has primary responsibility for all contractual obligations and is considered the project lead.
- According to the terms of the UTSP, the City must negotiate and sign a Contribution Agreement with Transport Canada.

- The CAO requires delegated authority to negotiate and sign a Contribution Agreement with Transport Canada to confirm the City's participation in the Urban Transportation Showcase Program.

Implications of the Recommendation(s):

General Implications

X None

☐ For the organization overall and/or for other departments

☐ For the community and/or organizations external to the City

☐ Involves a multi-year contract

Comment(s):

Policy implications

X No

☐ Yes

Comment(s):

Environmental implications

☐ No

X Yes

Comment(s): The purpose of the Urban Transportation Showcase Program is to demonstrate how innovation in public transportation can reduce greenhouse gas emissions.

Human Resources implications

X No

☐ Yes

Comment(s):

Financial Implications

Within approved current and/or capital budget

X Current and/or capital budget adjustment required

Comment: Funds have been included in the 2005 capital budget and approved in principle for 2006 and 2007. Additional operating costs amounting to $160,000 over three years has been referred to the 2005-2007 operating budget process.

Report

REASON FOR THE REPORT: The CAO requires delegated authority to negotiate and sign a Contribution Agreement with Transport Canada to confirm the City's participation in the Urban Transportation Showcase Program.

HISTORY:

- On May 21, 2003, EPC passed a motion endorsing the City's application - WinSmart - to Transport Canada's Urban Transportation Showcase Program (UTSP). The purpose of the UTSP is to demonstrate how innovation in public transportation can reduce greenhouse gas emissions.
- On December 1, 2003, the City of Winnipeg was selected as one of nine municipalities across Canada to participate in UTSP.
- Upon award of the project, the administration reviewed WinSmart in preparation for entering into a Contribution Agreement with Transport Canada.
- As a result of this due diligence process, and owing to budget constraints and the passage of time since the UTSP was initiated, a new option for implementing WinSmart was developed.
- Both the Provincial government and Transport Canada have indicated that they support the revised WinSmart package.
- The City is now in a position to begin negotiations on the Contribution Agreement with Transport Canada.

DISCUSSION:

The Federal Government established the Urban Transportation Showcase Program (UTSP) in 2002 to encourage municipal governments to demonstrate how innovation in public transportation can reduce greenhouse gases to control the impact of climate change. On May 21, 2003 Council passed a motion endorsing the City's application - WinSmart - to the UTSP. Taking into consideration that Winnipeg is a medium size urban centre with extreme temperatures and a high proportion of auto-friendly residential developments, WinSmart identified 26 different sustainable transportation initiatives within 5 primary areas to reduce GHG emissions:

(i) Building and testing prototypes of clean vehicles and fuelling systems;
(ii) Making better use of automobiles;
(iii) Improving the efficiency of trucking;
(iv) Making transit, cycling and walking more competitive with the automobile and;
(v) Policy research on land use and demand management.

The WinSmart package, which was developed in partnership with the Province of Manitoba, projected a total cost of $14.3 to be shared by all three levels of government. On December 1, 2003, Winnipeg was one of nine municipalities across Canada selected to participate in the UTSP.

Upon award of the project, the administration reviewed the WinSmart package in preparation for entering into a Contribution Agreement with Transport Canada. A number of meetings were also held with Provincial staff to seek clarification regarding their financial contribution and partnership in this program. As a result of this due diligence process, and owing to budget constraints and the passage of time since the UTSP was first initiated, a new option for implementing WinSmart was developed in consultation with Provincial staff. Initiatives in the original proposal were either eliminated because they were no longer deemed essential by City or Provincial staff or were re-scoped to align with capital budget requirements and to conform to revised priorities and circumstances since the original WinSmart proposal was made.

The revised WinSmart package now includes 18 different sustainable transportation initiatives at a total cost of $11 M over three years (ending in 2007) to be cost shared by the three levels of government (See attachment A). Both the provincial government and Transport Canada have indicated that they support the revised WinSmart package.

While the vast majority of the initiatives in the revised WinSmart package have been approved in the 2005-2007 capital budget, the program requires $160,000 over three years to measure performance (a required element) and to administer the program. The additional funding requirement has been referred to the 2005 Operating budget process.

Though WinSmart was unique among applicants to the program in that the Province of Manitoba is a partner, UTSP is a Federal – Municipal program and, as such, the City has primary responsibility for all contractual obligations and is considered the project lead. Following discussions regarding the revised Winsmart package, Transport Canada has signaled its readiness to begin negotiations on the Contribution Agreement to confirm Winnipeg's participation in the program. The Chief Administrative Officer requires delegated authority to negotiate and sign the Contribution Agreement on behalf of the City of Winnipeg.

Financial Impact Statement

Date: January 7, 2005

Project Name:
Urban Transportation Showcase Program

First Year of Program: 2005

	2005	2006	2007	2008	2009
Capital					
Capital Expenditures Required	$ -	$ -	$ -	$ -	$ -
Less: Existing Budgeted Costs	-	-	-	-	-
Additional Capital Budget Required	$ -	$ -	$ -	$ -	$ -
Funding Sources:					
Debt - Internal	$ -	$ -	$ -	$ -	$ -
Debt - External	-	-	-	-	-
Grants (Enter Description Here)	-	-	-	-	-
Reserves, Equity, Surplus	-	-	-	-	-
Other - Enter Description Here	-	-	-	-	-
Total Funding	$ -	$ -	$ -	$ -	$ -
Total Additional Capital Budget Required	$ -				
Total Additional Debt Required	$ -				
Current Expenditures/Revenues					
Direct Costs	$ 53,334	$ 53,333	$ 53,333	$ -	$ -
Less: Incremental Revenue/Recovery	-	-	-	-	-
Net Cost/(Benefit)	$ 53,334	$ 53,333	$ 53,333	$ -	$ -
Less: Existing Budget Amounts	-	-	-	-	-
Net Budget Adjustment Required	$ 53,334	$ 53,333	$ 53,333	$ -	$ -

Additional Comments:

Funds have been included in the 2005-2007 capital budget and was approved in principle.

Operating budget adjustment is required for additional costs related to administration of the program in the amount of $160,000 over three years.

(Original signed by R. Abeysekera)
Manager of Finance & Administration
Corporate Services Dept.

IN PREPARING THIS REPORT THERE WAS CONSULTATION WITH, AND CONCURRENCE BY:
EPC Secretariat
CAO Secretariat
Winnipeg Transit
Corporate Services-Legal Services
Planning Property and Development
Public Works

THIS REPORT SUBMITTED BY:

Department: CAO Secretariat
Division: Strategic Management
Prepared by: James Allum
File No.

ATTACHMENT A

Urban Transportation Showcase Program WinSmart Project Description		
Building and Testing Prototypes		
1) Hybrid (Diesel Electric) Transit Buses	$700,000	Purchase 2 fuel-efficient diesel electric hybrid buses for transit.
2) Eco-Fuelling Station	$2,500,000	Construct a fuelling station that offers cleaner burning fuels such as biodiesel and ethanol.
Making Better Use of Automobiles		
3) Signal Optimization	$450,000	Optimize traffic flow using an electronic monitoring system.
4) Park & Ride Facilities	$300,000	Expand the number of park and ride sites along Pembina.
Improving the Efficiency of Trucking		
5) Innovative Freight Practices	$50,000	Research and identify innovative freight practices such as trip scheduling and load matching.
6) Truck Routing Program	$100,000	Optimize routing of commercial freight in Winnipeg.
7) E-commerce Pilot	$10,000	Develop e-commerce delivery opportunities for big box chains to create less customer travel to stores.
Making Transit, Cycling, and Walking More Competitive		
8) Eco-Pass Program	$300,000	Expand transit pass program, where transit passes are given to employees on a discounted basis.
9) Downtown office/commercial land development	$225,000	Pilot project to integrate transited orientated and smart growth principles into downtown development.
10) Automatic vehicle location system for transit	$3,569,000	Install a system to track transit buses in real time.
11) Real Time Electronic Bus Departures	$450,000	Electronic displays with real time info on transit bus departures and arrivals.
12) Information Kiosks	$160,000	Kiosks placed at major centers in downtown relating info on transit and sustainable transport options.
13) Upgrade of recreation trail	1,000,000	Upgrade of existing path on west bank of Red River between Churchill Drive and Norwood Bridge.
Policy Research		
14) Distance-based insurance simulation	$10,000	Assess feasibility of making auto insurance more directly related to vehicle usage
15) Location-efficient mortgages	$25,000	Investigate potential to provide incentives for people to live near shops and other services to reduce driving needs.
Marketing, Measurement, and Administration		
16) Travel Smart Micromarketing	$600,000	Use social marketing to learn about travel related behaviour and prompt voluntary changes.
17) Measurement/evaluation	$300,000	Measure reduction in greenhouse gases and other performance factors from program implementation.
18) Secretariat Services	$180,000	Overall program management, including reporting and administration.

Note: Total budget of $11,019,000 to be cost shared by the City of Winnipeg, Province of Manitoba, and Transport Canada.