

**Minutes – Standing Policy Committee on Finance and Economic Development –
March 14, 2023**

REPORTS

**Item No. 3 St. Vital over the Red River Bridge Rehabilitation,
Project ID: 1805002721,
Quarterly Project Status Report No. 2
For the Period Ended December 31, 2022**

STANDING COMMITTEE DECISION:

The Standing Policy Committee on Finance and Economic Development concurred in the recommendation of the Winnipeg Public Service and received the financial status of the St. Vital over the Red River Bridge Rehabilitation, as contained in this report, as information.

**Minutes – Standing Policy Committee on Finance and Economic Development –
March 14, 2023**

DECISION MAKING HISTORY:

Moved by Councillor Lukes,

That the recommendation of the Winnipeg Public Service be concurred in.

Carried

ADMINISTRATIVE REPORT

Title: St. Vital over the Red River Bridge Rehabilitation,
Project ID: 1805002721,
Quarterly Project Status Report No. 2
For the Period Ended December 31, 2022

Critical Path: Standing Policy Committee on Finance and Economic Development

AUTHORIZATION

| Author | Department Head | CFO | CAO |
|---------------------|-----------------|-------------|---------|
| B Neirinck, P. Eng. | J. Berezowsky | C. Kloepper | M. Jack |

EXECUTIVE SUMMARY

Project On Schedule: Yes ☒ No ☐

Project On Adopted/Forecasted Budget:

Yes ☒ No ☐

Percent of Schedule Complete: 45%

**Percent of Adopted/Forecasted
Budget Spent:**

4.43%

The project is forecast to be on time and on budget.

This is the second quarterly report to the Standing Policy Committee on Finance and Economic Development on this project. The total project budget and estimate at completion is \$52,574,000. Expenditures to date total \$2,330,276.08.

The project is currently at a Class 1 (Pre-Tender) Estimate with an expected level of precision of -5% to + 10% based on the detailed design and specifications completed in November 2022. The tender was posted late December 2022 with a staged award by February 15, 2023. Construction is anticipated to begin in March 2023.

Temporary cross-over detours were constructed between the north and southbound lanes of Route 62 in October 2022 in order to maintain traffic flow during the project.

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

RECOMMENDATIONS

That the financial status of the St. Vital over the Red River Bridge Rehabilitation, as contained in this report, be received as information.

REASON FOR THE REPORT

The Asset Management Administrative Standard FM-004 requires all projects with a total estimated cost of \$25 million (2022) or more report quarterly to the Standing Policy Committee on Finance and Economic Development. This threshold is adjusted annually for construction inflation as part of the annual Capital Budget approval. The Standing Policy Committee on Finance and Economic Development may also request reporting on any capital project.

IMPLICATIONS OF THE RECOMMENDATIONS

As this report is for information purposes only, there are no implications.

HISTORY/DISCUSSION

See Appendix C – Key Project Events (History)

Key Project Events (Update from last report)

Key project events that have occurred are as follows:

- Temporary cross-over detours were constructed between the north and southbound lanes of Route 62 in October 2022 in order to maintain traffic flow during the project.
- Detailed Design (Drawings and Specifications) were completed in November 2022.
- Tender documents were posted on MERX in late early December 2022.
- The Tender closing date is currently set at January 19, 2023.
- Substantial Performance for this Project is anticipated to be on October 31, 2024.
- Total Performance for this Project is anticipated to be November 30, 2024.

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 |
| RFP 244-2021 | Morrison Hershfield Limited | Consulting Services for Preliminary Engineering Study | \$ 798,091.00 | \$ 159,629.00 | 12-July-21 | 30-May-22 | 100% |
| RFP 244-2021 | Morrison Hershfield Limited | Consulting Services for Detailed Design Engineering | 1,519,552.00 | - | 23-Aug-22 | | 75% |
| Tender No. 29-2021, CWO #2 | Maple Leaf Construction Ltd. | Contract - Temporary Detour Works - Cross overs construction | 222,210.00 | - | 24-Aug-22 | | 0% |
| | | | - | - | | | |
| | | | - | - | | | |
| | | Total | \$ 2,539,853 | \$ 159,629 | | | |

Upcoming Procurements:

| Description | Anticipated Award Date |
|----------------------------------------------------------------------------------------------------------|------------------------|
| RFP 244-2021 - Morrison Hershfield Limited - Contract Administration and Post Construction Services | 1-Feb-23 |
| Construction Contract - Complete Works associated with design scope of RFP 244-2021 | 15-Feb-23 |
| Manitoba Hydro - Electrical Service Agreement - Installation of Utilities under the Southbound structure | 1-Mar-23 |

Schedule (Update since last report)

The project is currently forecast to be on schedule. The detailed design was completed in November, 2022. Construction of the detour cross-over lanes took place in October 2022, with Work associated with the main construction contract anticipated to start in March 2023.

Table 2 – Milestones

| Project Milestones | | | | | |
|--------------------|-------------------------|-----------------------------------|----------------------------------|------------------------|----------------------|
| Deliverable | | Original Targeted Completion Date | Revised Targeted Completion Date | Actual Completion Date | Estimated % Complete |
| 1 | Preliminary Design | 2022 Q2 | 2022 Q2 | 2022 Q2 | 100% |
| 2 | Detailed Design | 2022 Q4 | 2022 Q4 | 2022 Q4 | 100% |
| 3 | Detour Lanes | 2022 Q4 | 2022 Q4 | 2022 Q4 | 100% |
| 4 | Contract - Bridge Works | 2024 Q4 | | | 0% |
| 5 | Substantial Performance | 2024 Q4 | | | |
| 6 | Total Performance | 2024 Q4 | | | |
| 7 | | | | | |
| 8 | | | | | |

Risk (Update since last report)

There are no new risks to report.

A Class 1 Estimate was submitted by the consultant as part of the completion of the detailed design. The Class 1 Estimate has an expected level of accuracy of -5% to +10. To mitigate the financial risk of the project, the project is carrying risk-specific contingencies which total approximately 7.91% of total project costs.

The major project risks are identified in Table 3 below.

Table 3 – Significant Risks and Mitigations Strategies

| Significant Risks and Mitigation Strategies | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Risk Statement and Explanation | Risk Mitigation Management Plan |
| New: | |
| N/A | |
| Ongoing: | |
| COVID-19 Pandemic | Monitor the pandemic and impacts to project schedule and workforce. Collaborate with local government, Contractor and project Engineering Consultant to minimize impacts. |
| Reduction of available working days due to poor weather conditions during construction season, such as rainy weather during road construction, warm weather when frozen Red River is utilized to perform work off the ice, and the provincial limitations to in water works in the spring | Bid opportunity to use a completion date contract, with multiple defined Critical Stages with Liquidated Damages assigned. |
| Possible delay to the project due to utilities (Hydro, MTS, Shaw, etc.) requirement for relocation or new plant construction and meeting the current project schedule. | Keep the utilities well informed throughout regarding the preliminary, detailed, and construction time schedules. Assist where possible, provide timely responses, ideally have the utilities complete their work as per the Consultant's proposed construction sequence to where possible |
| Non-adoption of forecasted funds required due to the increase in project costs as a result of additional scope | Refining estimates and optimizing designs, prior to future Council approved budget adoptions |
| Non-approval of first charge requests on forecasted funds required | Optimizing the first charge report to elaborate precisely on reasons why the first charge is required. |
| Increases in material costs due to recent inflation of goods in Canada and worldwide | Consultant to inquire with material suppliers and contractors throughout the design and tendering periods to ensure an accurate Engineer's estimate |
| Supply chain issues to due COVID-19 pandemic and recent political events worldwide | Consultant to inquire with material suppliers and contractors throughout the design and tendering periods to ensure that materials specified are available to during construction |
| Unknowns/Unforeseen Costs. | Refine level of detail of estimates to minimize amounts and quantities of unknowns and unforeseen. |
| Mitigated: | |
| Delay in obtaining applicable Department of Fisheries and Oceans, City Waterways, and Provincial Waterways permits for the project. | Regulatory approvals secured. |
| * Not every risk needs be disclosed but those significant in nature to the project should be disclosed and monitored. Risks should be in order from higher to lower assessed risk and revised on an ongoing basis. | |

Financial (Update since last report)

The financial forecast is disclosed in Appendix B. Expenditures to date consist of Professional Services and Temporary cross-over detours and equate to \$2,330,276.08.

Currently, the total project Estimate at Completion is \$52,574,000, including \$4,156,000 in contingencies.

Funding (Update since last report)

The total anticipated budget is presented in Table 4 below.

Table 4 – Project Funding Forecast

| Funding Forecast | | | | |
|-----------------------------------|------------------------------------------|---------------------------------------------|----------------------------------------|--------------------------------------|
| Funding Source | Adopted Budget (in thousands) | Forecasted Budget (in thousands) | Total Budget (in thousands) | Committed (in thousands)* |
| Class of Estimate | Class 1 | | | |
| - Regional Street Renewal Reserve | 1,501 | 9,700 | 11,201 | 1,501 |
| - Frontage Levy | 10,366 | 4,550 | 14,916 | 10,366 |
| - Canada Community Building Fund | 11,807 | 14,650 | 26,457 | 11,807 |
| Total | \$ 23,674 | \$ 28,900 | \$ 52,574 | \$ 23,674 |

*on June 23, 2022 Council approved and authorized a First Charge on the 2023 Capital Budget for the St. Vital Bridge Rehabilitation project in the amount of \$15,600,000.

Property Acquisition

N/A – No property acquisition is required as part of the Project

Stakeholder Engagements/Communications

- The project website will be updated in January 2023 to inform the public and stakeholders of design updates and anticipated construction schedule.
- It will subsequently be followed up by a single stakeholder meeting (January 2023) to directly inform the stakeholders of how their previous input and comments were considered in the completed design.
- The recommendations from the Public Art Stakeholder Working Group have been finalized in September 2022 and will be used as information for artists to prepare proposals for the design of the public art component in Q2 of 2023.

Subsequent Events after Report Period End Date

- N/A

| |
|-------------------------|
| FINANCIAL IMPACT |
|-------------------------|

Financial Impact Statement**Date:** **January 20, 2023**

Project Name:**St. Vital over the Red River Bridge Rehabilitation****Project ID: 1805002721 & 1804XXXX24****Quarterly Project Status Report No. 2****For the Period Ended December 31, 2022****COMMENTS:**

There is no financial impact associated with the recommendation of this report. See Appendix B as to the financial status of this project.

J. Ruby, 2023-01-20

J. Ruby, CPA, CA

Manager of Finance & Administration

CONSULTATION

This Report has been prepared in consultation with:

N/A

OURWINNIPEG POLICY ALIGNMENT

Good Health and Well-Being (HW):

4.10 Transportation Safety: Design, construct, maintain and regulate an integrated and sustainable transportation system and related infrastructure that optimize safe, connected and reliable mobility, and minimize severe injuries and fatalities.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

N/A

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Goal 5: Transportation System Equity is Enhanced

The St. Vital bridge is currently not bike-friendly and travel may be dependent on access to motorized vehicles. The extension of the active transportation network across the bridge and to existing nodes in the north and south vicinities and therefore fits the direct 10-year objective that states that Improvements to transportation infrastructure and services prioritize areas of higher poverty, and increased interconnectivity to employment and affordable goods and services.

SUBMITTED BY

Department: Public Works

Division: Engineering

Prepared by: Damir Muhurdarevic, P. Eng., Bridge Projects Engineer

Date: January 23, 2023

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 | St. Vital over the Red River Bridge Rehabilitation |
| Business Owner (Department) | Public Works Department |
| Project ID | 1805002721 & 1804XXXX24 |
| Project Sponsor | Brad Neirinck, P.Eng., Manager of Engineering |
| Department Responsible for Project Delivery | Public Works Department |
| Consultant Engineer (Company Name) | Morrison Hershfield Limited |
| Adopted/Forecasted* Budget | \$52,574,000.00 |
| Class of Estimate (Adopted/Forecasted*) | Class 1 (-5% to +10%) |
| Range of Estimate (Adopted/Forecasted*) | \$49,945,300 to \$57,831,400 |
| Amended Budget | N/A |
| Class of Estimate (Amended) | N/A |
| Range of Estimate (Amended) | N/A |
| <u>Project Description (Scope)</u> | |
| <ul style="list-style-type: none"> - Major rehabilitation and deck widening of the St. Vital Bridge twin structures - Rehabilitation of roadway adjacent to both sides of the bridge, Route 62, between Fermor Avenue and Rutgar Avenue, including intersection improvements at Fermor Avenue and Dunkirk Drive - Rehabilitation and geometric changes to the access ramps to and from Kingston Row, including rehabilitation of Kingston Row between the ramps - Temporary cross-over lanes' construction to facilitate structure closures and allow for complete consecutive bridge structure rehabilitation - Expansion of the active transportation network on both bridge structures and connections to existing networks on both sides of the Red River - Expansion and changes to the Transit stop network along route 62 - Rehabilitation of culverts under Osborne Street and Dunkirk Drive as part of the active transportation network - Slope stabilization of the Red River embankments in the vicinity of the bridge on both banks of the Red River - Professional services for preliminary design, detailed design, contract administration, and post-construction services - Utility expansion and relocations | |
| <u>Committee Membership:</u> | |
| <ul style="list-style-type: none"> - Jim Berezowsky, Director of Public Works (Chair) - Brad Neirinck, Manager of Engineering (Project Sponsor) - Jason Ruby, Manager of Finance & Administration - Tim Shanks, Director of Water & Waste Department - Marc Pittet, Acting Director of Planning, Property, & Development - Danny Tooth, Acting Manager, Major Projects Oversight | |

Appendix B – Financial Forecast

**Appendix B - Project #1805002721 (St. Vital Bridge Rehab) & #1804XXXX24 (Regional and Local Street Renewal Program) Financial Forecast
As at December 31, 2022**

| Project Component Deliverables | Budget (in 000's) | | | Expenditure Forecast (in 000's) | | | | | | | Surplus (Deficit) From Amended Budget | Variance Last Report | Change in Variance |
|-----------------------------------------------------------------------------|----------------------------|-------------------------|----------------|---------------------------------|-----------------|-----------|--------|------|------------------------|------------|---------------------------------------|----------------------|--------------------|
| | Adopted/Forecasted* Budget | Council Approved Change | Amended Budget | Actual Costs To December 31/22 | Projected Costs | | | | Total Forecasted Costs | | | | |
| | | | | | 2023 | 2024 | 2025 | 2026 | | | | | |
| Engineering, Design and Other | \$ 5,114 | \$ - | \$ 5,114 | \$ 2,029 | \$ 1,240 | \$ 1,384 | \$ 121 | | \$ 4,774 | \$ 340 | \$ - | \$ 340 | |
| Construction | \$ 39,843 | \$ - | \$ 39,843 | \$ 231 | \$ 19,475 | \$ 21,626 | \$ 712 | | \$ 42,044 | \$ (2,201) | \$ - | \$ (2,201) | |
| Land Acquisition | \$ - | \$ - | \$ - | | | | | | \$ - | \$ - | \$ - | \$ - | |
| Internal Financing/Overhead Costs | \$ 1,512 | \$ - | \$ 1,512 | \$ 70 | \$ 704 | \$ 801 | \$ 25 | | \$ 1,600 | \$ (88) | \$ - | \$ (88) | |
| Contingency | \$ 6,105 | \$ - | \$ 6,105 | | \$ 4,156 | | | | \$ 4,156 | \$ 1,949 | \$ - | \$ 1,949 | |
| Total Project Budget | \$ 52,574 | \$ - | \$ 52,574 | \$ 2,330 | \$ 21,419 | \$ 27,967 | \$ 858 | \$ - | \$ 52,574 | \$ - | | | |
| % of Project Budget Spent (Actual Costs to Date / Adopted & Amended Budget) | | | | | | | | | | | | | |
| | 4% | | 4% | | | | | | | | | | |

| Project # | Adopted Budget (in thousands) | Forecasted Budget per 2022 Adopted Capital Budget (in thousands) | Total Adopted/ Forecasted Budget (in thousands) | Actual Costs (in thousands) |
|--------------|-------------------------------|------------------------------------------------------------------|-------------------------------------------------|-----------------------------|
| 1805002721 | \$ 23,674 | \$ 23,200 | \$ 46,874 | \$ 2,331 |
| 1804XXXX24 | | \$ 5,700 | \$ 5,700 | |
| Total | \$ 23,674 | \$ 28,900 | \$ 52,574 | \$ 2,331 |

* Adopted budget includes First Charge of \$15,600,000 on the 2023 Capital Budget approved by Council on June 23, 2022

Appendix C – Key Project Events (History)

- On December 16, 2020, Council approved the 2021 Capital Budget, of which, \$2,000,000 is allocated to the St. Vital Bridge Rehabilitation Project. A portion was used to undertake the preliminary engineering study for the Project.
- On July 12, 2021, Morrison Hershfield Limited was awarded the consulting services for a preliminary engineering study under RFP No. 244-2021.
- Site Investigations and analyses occurred in summer/fall of 2021.
- On December 15, 2021, Council approved the 2022 Capital Budget, of which, \$6,074,000 is allocated to the St. Vital Bridge Rehabilitation Project.
- Preliminary Design of the bridge rehabilitation and widening, and all other works occurred over the winter/spring of 2022, with preliminary design finalized in May 2022.
- A class 3 Basis of Estimate (BoE) was submitted alongside the final Preliminary Design Report, and is still currently under review by the Assets and Project Management Department.
- On March 08, 2022, the project website <https://winnipeg.ca/stvitalbridge> was launched, as part of the Stakeholder Engagement program, followed by three (3) virtual stakeholder meetings, on March 22 and 23, 2022.
- Public Art installation is a component of this project. In May and June 2022, a series of three (3) Public Art Stakeholder Working Group meetings took place, to come up with recommendations and prepare a summary package to document findings to be presented to the Winnipeg Arts Council (WAC) to help inform the Call to Artists.
- On June 09, 2022, the Standing Policy Committee on Infrastructure Renewal and Public Works, and subsequently Council itself, on June 23, 2022, approved a first charge on the 2023 Capital Budget in the amount of \$15,600,000 for the St. Vital Bridge Rehabilitation Project.
- On August 23, 2022, Morrison Hershfield Limited was awarded consulting services for detailed design for the Project.
- Substantial Performance for this Project is anticipated to be on October 31, 2024.
- Total Performance for this Project is anticipated to be November 30, 2024.

Stakeholder Engagement/Communications

- On March 08, 2022, the project website <https://winnipeg.ca/stvitalbridge> was launched, as part of the Stakeholder Engagement program. The website contained information such as the study timeline, frequently asked questions, a map of the project area, and a copy of the virtual presentation that was subsequently discussed at three (3) distinct stakeholder meetings.
- Stakeholder meetings took place on March 22 and 23, 2022, and included participants from neighbourhood community groups, schools, BIZs, and discipline-specific interest groups from throughout the City.
- Stakeholder input from those sessions was subsequently used to optimize and finalize the preliminary design.

- Public Art installation is a component of this project. A budget of approximately \$200,000 from the project funds has been allotted to the design and installation of public art in the project vicinity.
- In May and June 2022, a series of three (3) Public Art Stakeholder Working Group meetings took place, to come up with recommendations and prepare a summary package to document findings to be presented to the WAC to help inform the Call to Artists.
- The recommendations have been finalized in September 2022 and will be used as information for artists to prepare proposals for the design of the public art component.