

**Minutes – Standing Policy Committee on Finance and Economic Development –  
June 2, 2023**

**REPORTS**

**Item No. 2                      St. Vital over the Red River Bridge Rehabilitation, Project ID:  
1805002721, and 1804000224 Quarterly Project Status Report No. 3  
For the Period Ended March 31, 2023**

**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 –  
June 2, 2023**

**DECISION MAKING HISTORY:**

Moved by Councillor Rollins,

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, and 1804000224  
Quarterly Project Status Report No. 3  
For the Period Ended March 31, 2023

**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:** 51%

**Percent of Adopted/Forecasted Budget Spent:** 6%

The project is forecast to be on time.

This is the third quarterly report to the Standing Policy Committee on Finance and Economic Development on this project. The total project budget and estimate at completion is now \$57,574,000, increasing by \$5,000,000 from the last report to this committee. The budget increase was required due to revised estimates for roadway rehabilitation costs. Council approved the increase to the project as part of the 2023 budget process, where an additional \$5,000,000 was added to the project in 2024 with a first call on those funds approved for in 2023. Expenditures to date total \$2,939,043.70.

The tender was closed on January 20, 2023. The low and successful bidder was M.D. Steele Construction Ltd. The Contract for this project was being awarded in phases as at the time of the award the 2023 budget had not been approved yet. Phase 1 of the Work was awarded on February 10, 2023, and construction began on March 01, 2023.

Subsequent to the reporting period, Phase 2 of the Work was awarded on April 19, 2023, in the amount of \$26,728,129.97 for a total contract price of \$42,909,228.72.

During the tender period, the steel girder preservation coating was removed from the tender as indications were that these coating costs were to going to be very high. Subsequent to the tender award value engineering has been underway to develop a cost-effective coating

alternative that encompasses coating types, methods and schedule requirements. A contract over-expenditure report will be considered by the Standing Policy Committee on Public Works.

A new risk has developed related to recent riverbank movements on the north bank which may affect the adjacent bridge pier. At a minimum, the riverbank slope will be flattened to offload earth loads on the pier and additional stabilization may be required.

At this time both the girder coating and riverbank risks are expected to be accommodated with the approved budget.

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 (2023) or more report quarterly to the Standing Policy Committee on Finance and Economic Development. This threshold is reviewed at the beginning of each multi-year budget cycle. 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:

- Tender for the project closed on January 20, 2023. Upon continuing observation of the market conditions, a major item of Work, structures coatings, was removed from the original contract, in order to stay under the budget cap.
- Subsequently, after the tender closed, a budget increase of \$5,000,000 was requested out of the 2023 Local and Regional Street Annual Program, and subsequently approved, as the roadway portion of the Work was initially underestimated.

- A Stakeholder meeting to inform the public of the final design, including incorporation the stakeholder's comments, occurred on January 31, 2023.
- A website update followed on February 02, 2023.
- The low bidder, M.D. Steele Construction Ltd. was successful and awarded Phase 1 of the Work. The project was being awarded in phases as it was necessary to start Construction as soon as possible in order to stay on schedule, and the adoption of the 2023 budget did not occur prior to award.
- Construction on site commenced on March 01, 2023, on the East (Southbound Lanes) structure.
- Award of Phase 2 will follow in Mid-April 2023, as the 2023 Capital budget was approved in March 2023, which included a first charge of \$33,900,000 on the 2024 Capital budget allocated to the St. Vital bridge project.
- As such, the City is currently fielding quotes from various coatings suppliers to re-instate this item of Work into the scope, which once approved, will require an Over Expenditure report to Council, as the total delegated Award Authority of up to \$45,000,000 to the CAO will be exceeded.
- Substantial Performance for this Project is anticipated to be on October 31, 2024.
- Total Performance for this Project is anticipated to be June 30, 2025.

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	20-Jan-23	100%
Tender No. 29-2021, CWO #2	Maple Leaf Construction Ltd.	Contract - Temporary Detour Works - Cross overs construction	222,210.00	-	24-Aug-22	21-Oct-22	100%
RFP 244-2021	Morrison Hershfield Limited	Consulting Services for Contract Administration and Post Construction Services	2,394,161.00	-	30-Jan-23		2%
Tender No. 615-2022	MD Steele Construction Ltd.	Construction Contract - Phase 1 of Works associated with design scope of RFP 244-2021	16,181,098.75	-	10-Feb-23		8%
		<b>Total</b>	<b>\$ 21,115,113</b>	<b>\$ 159,629</b>			

**Upcoming Procurements:**

Description	Anticipated Award Date
Construction Contract - Phase 2 of Works associated with design scope of RFP 244-2021	15-Apr-23
Manitoba Hydro - Electrical Service Agreement - Installation of Utilities under the Southbound structure	1-May-23

**Schedule** (Update since last report)

The project is currently forecast to be on schedule. The tender, posted in December 2022, closed on January 20, 2023. Work associated with the main construction contract, Phase 1, started March 01, 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	100%
2	Detailed Design	2022 Q4		2022 Q4	100%
3	Contract Administration	2025 Q2			2%
4	Detour Lanes	2022 Q4		2022 Q4	100%
5	Contract - Bridge Works	2024 Q4			1%
6	Substantial Performance	2024 Q4			
7	Total Performance	2024 Q4	2025 Q2		
8					

**Risk** (Update since last report)

There is a new risk to report.

Riverbank movements on the North bank of the Red River have been monitored throughout the design phases, whereby pier angles have been continually measured, and it was recently observed that some movement did indeed occur since the last measurement taken in late 2022. The plan going forward will be to continually monitor the movements, especially during the spring high river levels and subsequent drawdown. Offloading of the riverbank will likely be necessary upon the drawdown, and if movements are still observed thereafter, further bank stabilization, such as the construction of one or more sheer keys may be required.

All major project risks are identified in Table 3 below.

Table 3 – Significant Risks and Mitigations Strategies

<b>Significant Risks and Mitigation Strategies</b>	
<b>Risk Statement and Explanation</b>	<b>Risk Mitigation Management Plan</b>
<b>New:</b>	
Riverbank movements on the North bank of the Red River have been observed.	Continually monitor the movements, especially during the spring high river levels and subsequent drawdown. Offloading of the riverbank will likely be necessary upon the drawdown
<b>Ongoing:</b>	
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.
Supply chain issues to due COVID-19 pandemic and recent political events worldwide	Consultant to inquire with Contractor throughout the Construction period to ensure that materials specified are available
Unknowns/Unforeseen Costs.	Refine level of detail of estimates to minimize amounts and quantities of unknowns and unforeseen.
<b>Mitigated:</b>	
Delay in obtaining applicable Department of Fisheries and Oceans, City Waterways, and Provincial Waterways permits for the project.	Regulatory approvals secured.
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
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
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.
* 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 primarily consist of Professional Services, temporary cross-over detours, and the start of Construction Works, and equate to \$2,939,043.70.

Currently, the total project Estimate at Completion is \$57,574,000, after a budget increase of \$5,000,000 was requested out of the 2024 Regional and Local Street Renewal annual program and subsequently approved, as the roadway portion of the Work was initially underestimated.

The 2023 Capital budget was approved in March 2023, which included a first charge of \$33,900,000 on the 2024 Capital budget allocated to the St. Vital bridge project.

### **Funding** (Update since last report)

The total project budget increased by \$5,000,000 from the last report to this committee. The budget increase was required due to revised estimates for roadway rehabilitation costs. Council approved the increase to the project as part of the 2023 budget process, where an additional \$5,000,000 was added to the project in 2024 with a first call on those funds approved for in 2023.

The total anticipated budget is presented in Table 4 below.

Table 4 – Project Funding Forecast

Funding Forecast				
Funding Source	Adopted Budget (in thousands)*	Council Approved Changes (in thousands)	Amended Budget (in thousands)	Committed (in thousands)*
Class of Estimate	Class 3		Class 1	
- Regional Street Renewal Reserve	11,201	5,000	16,201	16,201
- Frontage Levy	14,916	0	14,916	14,916
- Canada Community Building Fund	26,457	0	26,457	26,457
<b>Total</b>	<b>\$ 52,574</b>	<b>\$ 5,000</b>	<b>\$ 57,574</b>	<b>\$ 57,574</b>

\*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.

\* On March 22, 2023 Council approved and authorized a First Charge on the 2024 Capital Budget for the St. Vital Bridge Rehabilitation in the amount of \$33,900,000

### **Property Acquisition**

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

### **Stakeholder Engagements/Communications**

- A stakeholder meeting (January 31, 2023) was held to directly inform the stakeholders of the final design and how their previous input and comments were considered in the completed design.
- The project website was subsequently updated on February 02, 2023 to inform the public and stakeholders of design updates and anticipated construction schedule.
- The recommendations from the Public Art Stakeholder Working Group have been discussed with the Winnipeg Arts Council to plan the call 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

<b>FINANCIAL IMPACT</b>
-------------------------

**Financial Impact Statement****Date:** **April 28, 2023**

---

**Project Name:****St. Vital over the Red River Bridge Rehabilitation****Project ID: 1805002721 & 1804000224****Quarterly Project Status Report No. 3****For the Period Ended March 31, 2023****COMMENTS:**

As this report is for informational purposes only, there is no financial impact. See Appendix B as to the financial status of this project.

J. Ruby, 2024-04-28

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:** May 2, 2023

## Appendices

Appendix A – Key Project Facts

Appendix B – Financial Forecast

Appendix C – Key Project Events (History)

## Appendix A – Key Project Facts

<b>Business Owner (Department)</b>	Public Works Department
<b>Project ID</b>	1805002721 & 1804000224
<b>Project Sponsor</b>	Brad Neirinck, P.Eng., Manager of Engineering
<b>Department Responsible for Project Delivery</b>	Public Works Department
<b>Consultant Engineer (Company Name)</b>	Morrison Hershfield Limited
<b>Adopted/Forecasted* Budget</b>	\$57,574,000.00
<b>Class of Estimate (Adopted/Forecasted*)</b>	Class 1 (-5% to +10%)
<b>Range of Estimate (Adopted/Forecasted*)</b>	\$54,695,300 to \$63,331,400
<b>Amended Budget</b>	N/A
<b>Class of Estimate (Amended)</b>	N/A
<b>Range of Estimate (Amended)</b>	N/A
<b><u>Project Description (Scope)</u></b>	
<ul style="list-style-type: none"> <li>- Major rehabilitation and deck widening of the St. Vital Bridge twin structures</li> <li>- Rehabilitation of roadway adjacent to both sides of the bridge, Route 62, between Fernor Avenue and Rutgar Avenue, including intersection improvements at Fernor Avenue and Dunkirk Drive</li> <li>- Rehabilitation and geometric changes to the access ramps to and from Kingston Row, including rehabilitation of Kingston Row between the ramps</li> <li>- Temporary cross-over lanes' construction to facilitate structure closures and allow for complete consecutive bridge structure rehabilitation</li> <li>- Expansion of the active transportation network on both bridge structures and connections to existing networks on both sides of the Red River</li> <li>- Expansion and changes to the Transit stop network along route 62</li> <li>- Rehabilitation of culverts under Osborne Street and Dunkirk Drive as part of the active transportation network</li> <li>- Slope stabilization of the Red River embankments in the vicinity of the bridge on both banks of the Red River</li> <li>- Professional services for preliminary design, detailed design, contract administration, and post-construction services</li> <li>- Utility expansion and relocations</li> </ul>	
<b><u>Committee Membership:</u></b>	
<ul style="list-style-type: none"> <li>- Jim Berezowsky, Director of Public Works (Chair)</li> <li>- Brad Neirinck, Manager of Engineering (Project Sponsor)</li> <li>- Jason Ruby, Manager of Finance &amp; Administration</li> <li>- Tim Shanks, Director of Water &amp; Waste Department</li> <li>- Marc Pittet, Acting Director of Planning, Property, &amp; Development</li> <li>- Danny Tooth, Acting Manager, Major Projects Oversight</li> </ul>	

(\*) – Projects with aggressive schedules are inherently more risky and more likely to experience cost overruns and schedule delays.

## Appendix B – Financial Forecast

### Appendix B - Project #1805002721 (St. Vital Bridge Rehab) & #1804000224 (Regional and Local Street Renewal Program) Financial Forecast As at March 31, 2023

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 Mar 31/23	Projected Costs				Total Forecasted Costs			
					2023	2024	2025	2026				
Engineering, Design and Other	\$ 5,114	\$ -	\$ 5,114	\$ 2,630	\$ 707	\$ 1,439	\$ 121		\$ 4,897	\$ 217	\$ 340	\$ (123)
Construction	\$ 39,843	\$ 5,000	\$ 44,843	\$ 231	\$ 18,138	\$ 25,993	\$ 712		\$ 45,074	\$ (231)	\$ (2,201)	\$ 1,970
Land Acquisition	\$ -	\$ -	\$ -						\$ -	\$ -	\$ -	\$ -
Internal Financing/Overhead Costs	\$ 1,611	\$ -	\$ 1,611	\$ 79	\$ 651	\$ 886	\$ 31		\$ 1,647	\$ (36)	\$ (88)	\$ 52
Contingency	\$ 6,006	\$ -	\$ 6,006			\$ 5,956			\$ 5,956	\$ 50	\$ 1,949	\$ (1,899)
Total Project Budget	\$ 52,574	\$ 5,000	\$ 57,574	\$ 2,940	\$ 19,496	\$ 34,274	\$ 864	\$ -	\$ 57,574	\$ -		
% of Project Budget Spent (Actual Costs to Date / Adopted & Amended Budget)	6%		5%									

Project #	Adopted Budget (in thousands)	Forecasted Budget per 2023 Adopted Capital Budget (in thousands)	Total Adopted/ Forecasted Budget (in thousands)	Actual Costs (in thousands)
1805002721	\$ 46,874	\$ -	\$ 46,874	\$ 2,940
1804000224	\$ 10,700	\$ -	\$ 10,700	
<b>Total</b>	<b>\$ 57,574</b>	<b>\$ -</b>	<b>\$ 57,574</b>	<b>\$ 2,940</b>

\* Adopted budget includes First Charge of \$33,900,000 on the 2024 Capital Budget approved by Council on March 22, 2023

## **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.
- 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 June 30, 2025.

### **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.
- 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.