

**Minutes – Standing Policy Committee on Finance and Economic Development  
May 9, 2025**

**REPORTS**

**Item No. 3                      Pembina Highway Overpass at Abinojii Mikanah Rehabilitation and  
Related Works Project,  
Project ID: 1805002523, and 1804000725  
Quarterly Project Status Report No. 1  
For the Period Ended February 28, 2025**

**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 Pembina Highway Overpass at Abinojii Mikanah Rehabilitation and Related Works Project, as contained in this report, as information.

**Minutes – Standing Policy Committee on Finance and Economic Development  
May 9, 2025**

**DECISION MAKING HISTORY:**

Moved by Councillor Lukes,

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

Carried

## ADMINISTRATIVE REPORT

**Title:** Pembina Highway Overpass at Abinojii Mikanah Rehabilitation and Related Works Project,  
Project ID: 1805002523, and 1804000725  
Quarterly Project Status Report No. 1  
For the Period Ended February 28, 2025

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

### AUTHORIZATION

Author	Department Head	CFO	CAO
B. Neirinck, P. Eng.	J. Berezowsky	T. Graham	S. Armbruster, Interim CAO

### EXECUTIVE SUMMARY

**Project On Schedule:** Yes ☒ No ☐

**Project On Adopted Budget:** Yes ☒ No ☐

**Percent of Schedule Complete:** 46%

**Percent of Adopted Budget Spent:** 3%

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

This is the first quarterly report to the Standing Policy Committee on Finance and Economic Development on this project. The total project budget and estimate at completion is \$30,500,000. Expenditures to date total \$970,913.62.

The Capital Budget for the project has been adopted and approved through authorized first charge allowing the tendering of the entire construction contract. Further discussion is presented in the History and Discussion section.

The project is currently at a Class 3 Estimate with an expected level of precision of -20 to + 30 percent based on a preliminary design submitted by the consultant in January 2025. Detailed design and tender preparation for the main construction contract is underway. The tender is expected to be posted by early March 2025 with award by early May 2025. Construction is anticipated to begin by mid-May 2025.

Construction of the southbound lanes is planned for 2025 and northbound lanes in 2026, respectively. Substantial Performance for the Project is forecasted on October 2, 2026.

The primary forecasted risks to the project at this time relate to: traffic impacts during construction, increased construction and material costs, tariffs, property acquisitions and schedule delays.

As of the date of this report, the Province has not confirmed the allocation of the 2025 Strategic Infrastructure Basket (SIB) funding to this project. As such, \$4.399 million in funding has not been set-up and is not currently available for this project. This funding issue will need to be resolved prior to the 2026 construction season.

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 Pembina Highway Overpass at Abinodji Mikanah Rehabilitation and Related Works 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. Council has not approved any change to this threshold as of this report. 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**

- On March 22, 2023, Council approved the 2023 Capital Budget, of which \$1,000,000 was allocated to the Pembina Highway Overpass at Abinodji Mikanah Rehabilitation and Related Works Project (“project”). A portion was used to undertake the preliminary engineering study for the project.
- On October 19, 2023, the Director of Public Works awarded RFP No. 509-2023 for consulting services to Morrison Hershfield Limited (now Stantec Consulting Limited) to conduct a preliminary engineering study.
- Site investigations and analyses occurred in the Fall/Winter of 2023.
- Stantec Consulting Limited acquired Morrison Hershfield Limited on February 9, 2024.

- On March 20, 2024, Council approved the 2024 Capital Budget, of which \$2,000,000 was allocated to the project.
- With the adoption of the 2024 Capital Budget on March 20, 2024, Council authorized a first charge on the 2025 Regional Street Renewal Program, of which, \$4,100,000 was allocated to the project.
- An Interim Preliminary Design Report was submitted in August 2024 and a Class 3 Basis of Estimate (BOE) was submitted in September 2024.
- Preliminary Design of the Bridge Rehabilitation and Related Works continued through 2024, with the Final Preliminary Design Report submitted in January 2025.
- On October 7, 2024, the Project Website: [Pembina Highway Overpass at Abinojii Mikanah - Public Works - City of Winnipeg](#) was launched, as part of the Stakeholder Engagement Program, followed by four virtual stakeholder meetings on October 22, 23, and 24, 2024.
- On October 22, 2024, the Chief Financial Officer awarded RFP No. 509-2023 for consulting services to Stantec Consulting Limited for the provision of Detailed Design, Contract Administration, and Post Construction phases for the project.
- On January 29, 2025, Council approved the 2025 Capital Budget, of which, a combined \$23,500,000 is allocated to the project.
  - \$17,400,000 – Bridge and Overpass Rehabilitation
  - \$4,100,000 – Overpass Ramps funded by the Regional Street Renewal Program previously approved as a first charge in 2024.
  - \$2,000,000 – Recreational Walkway and Bike Pathway works funded by the Regional and Local Street Renewal Program.
- With the adoption of the 2025 Capital Budget, on January 29, 2025, Council authorized a first charge on the 2026 Regional Street Renewal Program of which, \$4,000,000 is allocated to the project.
- Substantial Performance for this Project is anticipated to be October 2, 2026.
- Total Performance for this Project is anticipated to be October 16, 2026.

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
509-2023	Morrison Hershfield	Preliminary Engineering & allowance	\$ 606,097.00	\$ -	Oct 19/23	Dec 5/24	100%
Single Source	Fireseeds North Infrastructure Corporation	Road Safety Audit	20,475.00	-	Aug 12/24	Sept 13/24	100%
509-2023 *	Stantec Consulting Limited	Detailed Design, Contract Admin, and Post Construction	2,576,185.00	84,471.00	Oct 22/24		46%
			-	-			
			-	-			
Total			\$ 3,202,757.00	\$ 84,471.00			

**Upcoming Procurements:**

Description	Anticipated Award Date
MB Hydro - Install of Utilities for realignment of EB Abinojii Mikanah Off Ramp	May 1/25
Tender No. 975-2024 - Construction works	early May 2025

\*RFP No. 509-2023 - Detailed Design is 95% complete

**Schedule**

The project is currently forecast to be on schedule. The interim preliminary design report was submitted in August 2024 and the final preliminary design report in January 2025. This allowed detailed design to commence in October 2024, and is expected to be completed by April 2025. Construction of the southbound lanes is anticipated to take place in 2025, with construction of the northbound lanes in 2026.

Table 2 – Milestones

Milestones					
Deliverable		Original Targeted Completion Date	Revised Targeted Completion Date	Actual Completion Date	Estimated % Complete
1	Preliminary Design	2024Q2		2025Q1	100%
2	Detailed Design	2024Q2	2025Q2		95%
3	Contract Administration	2026Q3			
4	Contract - Overpass Works	2026Q3			
5	Substantial Performance	2026Q4			
6	Total Performance	2026Q4			
7					
8					

## **Risk**

A Class 3 Estimate was submitted by the consultant as part of the completion of the preliminary design. The Class 3 Estimate has an expected level of accuracy of -20 to +30 percent. To mitigate the financial risk of the project, the project is carrying risk-specific contingencies which total approximately 15 percent of total project costs.

The primary forecasted risks to the project at this time relate to: traffic impacts during construction, increased construction and material costs, acquisitions and schedule delays.

Traffic flow will be maintained to businesses and residents at all times. Two lanes of traffic will be kept open in either direction on Pembina Highway and one southbound left turn to University Crescent at all times (at a minimum). The Project will be coordinated with two other significant ongoing City street renewal projects (University Crescent and Abinojii Mikanah) throughout 2025 to reduce the compounding impact of traffic congestion in the area. Lane closures are expected to be removed through the winter, including the Grey Cup on November 16, 2025.

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
<b>New:</b>	
Severe but avoidable traffic impacts during construction activities	Careful holistic consideration of traffic impacts, maximizing available traffic lanes while cost-effectively completing the rehabilitation works, robust stakeholder engagement and public notification plan regarding traffic changes. Stantec has requested guidance from City on minimum number of lanes to remain open during construction. Pre-emptory public notification of anticipated traffic changes (press releases, warning signage of impending traffic changes, etc.) to allow users to adjust their habits. Include alternate route information. Review alternate routes to ensure their availability.
Utility impacts create additional costs and construction delay due to utilities	Be aware during design and avoid utility impacts as much as possible.
Continued construction inflation, low availability of Contractors	Continued close monitoring of construction costs throughout design and manage design appropriately. Consider engaging Contractors early to build excitement about work opportunity. Release for tender with reasonable timelines for Contractors.
Tariff risks on material sourced from the U.S.A.	Continued monitoring of political and economic situation with US. Adjust budgets if required. Review Specification document to confirm the potential change in cost due to tariffs is addressed. At the time of writing this report, it is too early to determine impacts or level of risk.
Unknown works yet to be determined (sewers, parks building, etc.)	Determine potential works that may come up ahead of time.
Project extents exceeding City right-of-way	Determine extents of project and City right-of-way during design phase. Identify locations of required property acquisition and locations of potential need. Determine if project extents can be adjusted. An Enter to Construct Agreement may be used to facilitate early access to enable construction to proceed prior to an executed property agreement.
Provincial Strategic Infrastructure Basket funding in the amount of \$4,399,000 has not been confirmed.	To obtain Provincial confirmation prior to the start of the 2026 construction season. In the event this does not occur, swap funding from another authorized project either in the 2026 budget process or using the authorities delegated to the CFO.
<b>Ongoing:</b>	



## **Financial**

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

Expenditures to date primarily consist of Professional Services. Expenditures to date total \$970,913.62.

Currently, the total project Estimate at Completion is \$30,500,000, including \$4,631,000 in contingencies.

## **Funding**

This project is budgeted within two programs: Waterways Crossings and Grade Separations and the Regional and Local Street Renewal programs. Funding for the Regional Streets Renewal program is budgeted at the program level and not at the individual project level. Funding sources for this project include Regional Street Renewal Reserve, Frontage Levy, Province of Manitoba Strategic Infrastructure Basket (SIB) Funding (“SIB Funding”), and Canada Community Building Funding (formerly Gas Tax).

Program Funding is allocated to individual projects within the Regional and Local Street Renewal program on a cash-flow basis as expenditures are incurred in the program. As such, it is expected that the funding types allocated to this project will change over the life of the project due to the cash flow impacts of other projects within the Regional and Local Street Renewal program. Further to the budget discussion in the Key Points Section and in accordance with the Regional and Local Street Renewal Program, a budget transfer of \$2,000,000 from the Rec Walkways budget to the Pembina Highway & Abinojii Mikanah Overpass Ramps budget will be prepared to assist with expenditure tracking.

This project includes a combined \$4,899,000 in SIB Funding as identified in the 2024 and 2025 Adopted Capital Budgets. As reported to the Executive Policy Committee on February 18, 2025, the City received approval of the 2024/2025 SIB Funding allocation from the Province of Manitoba’s Minister of Municipal and Northern Relations, of which, \$500,000 is allocated to this project. As a result, the remaining SIB Funding allocated to this project in the amount of \$4,399,000 will remain uncommitted and is expected to be presented to the Province for approval during its 2025/2026 SIB Funding review.

Due to the \$4,399,000 in SIB funding not yet being confirmed by the Province of Manitoba, this budget has not been set-up and is not currently available to this project. There is a low risk that this may interfere with award of contracts in 2025. There is a high probability that there will not be sufficient budget in place to carry construction expenses through to the end of the 2026 construction season.

Interruption of construction in the field pending resolution of funding issues does not provide taxpayer value as there is no benefit associated with demobilization, remobilization and other delay charges, as well as lengthening construction schedule.

The department is intending on continuing project activities based on the Council adopted budget of \$30.5 million and that funding issues are resolved prior to the commencement of the

2026 construction season. In the event Provincial funding is not confirmed by this date, the funding shortfall will need to be addressed in either the 2026 budget process or that funding is swapped with another authorized Council project under the authorities delegated to the Chief Financial Officer.

Table 4 – Project Funding Forecast

Funding Forecast			
Funding Source	Adopted Budget (in thousands)	Amended Budget (in thousands)	Committed (in thousands)*
Class of Estimate	Class 3		
- Regional Street Renewal Reserve	8,721	8,721	8,721
- Frontage Levy	2,500	2,500	2,500
- Province of Manitoba SIB Funding	4,899	500	500
- Canada Community Building Fund	14,380	14,380	14,380
<b>Total</b>	<b>\$ 30,500</b>	<b>\$ 26,101</b>	<b>\$ 26,101</b>

\*On January 29, 2025, Council approved and authorized a First Charge on the 2026 Regional Street Renewal Program, of which, \$4,000,000 is allocated to this project.

As of this report, the Province has committed \$500,000 of SIB Funding for the project. Due to the uncertainty associated with the Province allocating 2025 SIB Funding to the project, \$4,399,000 of adopted budget has not been set-up and is not currently available to the project, resulting in an amended budget of \$26,101,000.

### **Property Acquisition**

The Project minimized land acquisition needs as much as possible. Several property acquisitions were mitigated. However, due to the nature of the work four properties were unavoidable. Status of required property acquisition and/or easements are summarized as follows:

**1845 Pembina Highway:** Draft Purchase and Sale Agreement for the acquisition of a portion is being coordinated by Real Estate (Area: 74.9 m2).

**1895 Pembina Highway:** Draft Purchase Easement for the acquisition of a portion is being coordinated by Real Estate (Area: 4.0 m2).

**2012 Pembina Highway:** Draft Lease Agreement for the relocation of the area required for the Transit Shelter (No change in area).

**2005 Pembina Highway:** Draft Purchase and Sale Agreement for the acquisition of a portion is

being coordinated by Real Estate (Area: 15.023m2).

Contingency plans are being developed for all works requiring land acquisition in the event the property cannot be obtained.

### **Stakeholder Engagements/Communications**

On October 7, 2024, the project website [Winnipeg.ca/pembinaoverabinojii](https://Winnipeg.ca/pembinaoverabinojii) 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 six distinct stakeholder meetings as follows:

- Meeting 1: Oct. 10, 2024: McDonalds (re: location at Pembina Highway and Chancellor Drive).
- Meeting 2: Oct. 17, 2024: City Councillors.
- Meeting 3 and 4: Oct. 22, 2024: Special Interest Groups.
- Meeting 5: Oct. 22, 2024 and Oct. 23, 2024: Affected Businesses and Residents.
- Meeting 6: Oct. 24, 2024: University of Manitoba and UM Properties.

The Public Service is in preliminary stages of planning a pre-construction public information event. This will ensure area residents and those who travel through the area are aware of the construction and its impact, and are able to ask questions.

### **Subsequent Events after Report Period End Date**

On March 4, 2025, the Standing Policy Committee on Public Works concurred in the recommendation of the Winnipeg Public Service and recommended to Council that authority be delegated to the CAO to award, and approve, that the City enter into, execute, and deliver a competitively tendered construction contract exceeding \$10,000,000 for the project to the maximum total cumulative amount of \$25,000,000, which is intended to cover the total construction award amount including contingencies. Further, authority be delegated to the CAO to approve over-expenditures for the contract provided that the contract plus the over-expenditure does not exceed the cumulative amount of \$25,000,000 and is within Council approved budgets or as a result of a first charge against the General Capital Fund.

On March 4, 2025, Tender No. 975-2024 for construction of the Pembina Highway Overpass at Abinojii Mikanah Rehabilitation and Related Works was posted on Merx with an anticipated closing date of April 2, 2025.

<b>FINANCIAL IMPACT</b>
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**Financial Impact Statement****Date:** **March 12, 2025**

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**Project Name:****Pembina Highway Overpass at Abinojii Mikanah Rehabilitation and Related Works Project****Project ID: 1805002523 and 1804000725****Quarterly Project Status Report No. 1****For the Period Ended February 28, 2025****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, 2025-03-21

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

Strategic Opportunity #3 Advancing Sustainable Transportation 3.4 Increase Active Transportation Rates.

## WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Goal 5: Transportation System Equity is Enhanced

The Pembina Highway Overpass 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, therefore, fits the direct 10-year objective that states: "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:** J. Matthew Hildebrand, P.Eng.

**Date:** March 24, 2025

## **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>	1805002523 and 1804000725
<b>Project Sponsor</b>	Brad Neirinck, P.Eng., Manager of Engineering
<b>Department Responsible for Project Delivery</b>	Public Works Department
<b>Consultant Engineer</b> (Company Name)	Stantec Consulting Limited
<b>Adopted/Forecasted* Budget</b>	\$30,500,000.00
<b>Class of Estimate (Adopted/Forecasted*)</b>	Class 3 (-20% to +30%)
<b>Range of Estimate (Adopted/Forecasted*)</b>	\$24,400,000 to \$39,650,000
<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>	
- Major rehabilitation of the deck of Pembina Hwy Overpass at Abinodji Mikanah to extend its service life 50 years, including addition of a 3.0 m multi-use path (west side) and 3.0 m bi-directional bicycle lane and 1.8 m sidewalk (east side)	
- Mill and fill the roads e/s of the overpass including the loops to rehabilitate them	
- Improved sidewalks and multi-use paths (west side) and bi-directional bicycle lanes (east side) for Pembina Hwy from Chancellor Dr to Plaza Dr	
- Improved crossings and signalization works at Chancellor Dr, University Cres, eastbound Abinodji Mikanah Off Ramp, and Plaza Dr	
- Road realignment of eastbound Abinodji Mikanah Off Ramp to align with Pembina Hwy and University Cres intersection c/w new single davit street lighting. Eastbound Abinodji Mikanah traffic will no longer flow through Chancellor Dr intersection. Laneway on west side of McDonald's and Esso parking lot will be converted into a two-way traffic access and will not connect to traffic existing eastbound Abinodji Mikanah. One-way bus only lanes between Two-way local access and traffic existing eastbound Abinodji Mikanah.	
- Multiple Transit and safety improvements throughout the Pembina Hwy Facility. All Transit improvements align with the Transit Master Plan.	
<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>- John DaCosta, Senior Corporate Accountant, Corporate Finance</li> <li>- Danny Tooth, Manager Capital Projects, Assets and Project Management</li> <li>- Bjorn Radstrom, Manager Planning &amp; Scheduling, Transit Department</li> <li>- Gord Chappell, Manager Real Estate &amp; Land Development, Planning Property and Development</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 #1805002523 (Bridge Rehabilitation) and 1804000725 (Road and Rec Walkways & Bike Paths) Financial Forecast  
As at February 28, 2025

Project Component Deliverables	Budget (in 000's)			Expenditure Forecast (in 000's)								Surplus (Deficit)	Variance Last Report	Change in Variance
	Adopted/Forecasted* Budget	Change (**)	Amended Budget	Actual Costs To Feb 28/25	Projected Costs				Total Forecasted Costs					
					2025	2026	2027	2028						
Engineering, Design and Other	\$ 4,381	\$ -	\$ 4,381	\$ 941	\$ 2,056	\$ 1,384	\$ 12	\$ 13	\$ 4,406	\$ (25)	\$ -	\$ (25)		
Construction	\$ 20,411	\$ (120)	\$ 20,291	\$ -	\$ 10,055	\$ 10,356	\$ -	\$ -	\$ 20,411	\$ (120)	\$ -	\$ (120)		
Land Acquisition	\$ 155	\$ -	\$ 155	\$ 5	\$ 150	\$ -	\$ -	\$ -	\$ 155	\$ (0)	\$ -	\$ (0)		
Internal Financing/Overhead Costs	\$ 1,274	\$ -	\$ 1,274	\$ 25	\$ 473	\$ 398	\$ 0	\$ 0	\$ 896	\$ 378	\$ -	\$ 378		
Contingency	\$ 4,279	\$ (4,279)	\$ -	\$ -		\$ 4,631	\$ -	\$ -	\$ 4,631	\$ (4,631)	\$ -	\$ (4,631)		
Total Project Budget	\$ 30,500	\$ (4,399)	\$ 26,101	\$ 971	\$ 12,734	\$ 16,769	\$ 12	\$ 13	\$ 30,500	\$ (4,399)				
% of Project Budget Spent (Actual Costs to Date / Adopted & Amended Budget)	3%		4%											

Project #	Adopted Budget (in thousands) (*)	Amended Budget (in thousands) (**)	Actual Costs (in thousands)
1805002523	\$ 20,400	\$ 16,001	\$ 963
1804000725	\$ 10,100	\$ 10,100	\$ 8
<b>Total</b>	<b>\$ 30,500</b>	<b>\$ 26,101</b>	<b>\$ 971</b>

(\*) - Adopted budget includes a First Charge of \$4,000,000 on the 2026 Regional Street Renew al Program Budget; adopted budget is allocated in accordance with the Class 3 Estimate & Estimated Preliminary Design. The Rec Walkw ays portion of the projects budget, \$2,000,000, is identified in project 1804000725 to assist with project tracking and forecasting. Transfer of the amount to this project is subject to concurrence by the Advisory Committee.

(\*\*) - Due to the current uncertainty associated with the Province of Manitoba allocating Strategic Infrastructure Basket (SIB) funding to this project, \$4,399,000 of adopted budget has not been set-up and is not currently available to the project, resulting in an amended budget of \$26,101,000.



## **Appendix C – Key Project Events (History)**

N/A – First Status Report