

**Minutes – Standing Policy Committee on Finance and Economic Development –
October 14, 2025**

REPORTS

**Item No. 4 CentrePort South Water and Sewer Servicing,
Project ID: 2004001222, 2004001223, 2004001224, 2037001722,
2037001723, 2037001724,
Quarterly Project Status Report No. 8
For the Period Ended July 31, 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 CentrePort South Water and Sewer Servicing, as contained in this report, as information.

**Minutes – Standing Policy Committee on Finance and Economic Development –
October 14, 2025**

DECISION MAKING HISTORY:

Moved by Councillor Orlikow,

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

Carried

ADMINISTRATIVE REPORT

Title: CentrePort South Water and Sewer Servicing,
Project ID: 2004001222, 2004001223, 2004001224, 2037001722,
2037001723, 2037001724,
Quarterly Project Status Report No. 8
For the Period Ended July 31, 2025

Critical Path: Standing Policy Committee on Finance and Economic Development

AUTHORIZATION

Author	Department Head	CFO	CAO
C. D. Wiebe, P.Eng., CAMP, Manager of Engineering Services	T. W. Shanks, M. Eng., P. Eng. Director, Water and Waste Department	T. Graham	J. Dunford

EXECUTIVE SUMMARY

Project On Schedule: Yes ☐ No ☒

Project On Adopted Budget: Yes ☒ No ☐

Percent of Schedule Complete:

Percent of Adopted Budget Spent:

The amended capital budget for the CentrePort South project is \$73.7 million with expenditures to date totaling \$35.0 million. A total of \$16.2 million was spent during this reporting period.

Key project developments:

- Enter to Construct agreement was obtained for the force main near the intersection of CentrePort Canada Way and Sturgeon Road. This is the last land agreement required for construction of the regional infrastructure.
- Purchase and Sale Agreement with the Province of Manitoba is being amended to include an additional 2,533± m² of land for the future phase lift station expansion.
- On June 19, 2025, a lien claim was filed under the Builders' Liens Act between HC Matcon Inc., and Bothar Inc. for the Interceptor and Intake Sewers tender. The Public Service will continue to work with Bothar to expedite resolution of the lien claim.
- On June 25, 2025, the Chief Financial Officer approved a Contract Over-Expenditure for Professional Consulting Services for CentrePort South – RFP No. 122-2023 in the amount of \$1.78 million.

New risks:

- The work on the feeder main rail crossing will need to be coordinated for the fall of 2025.

- Potential infrastructure conflicts for the force main require coordination with Manitoba Transportation and Infrastructure (MTI) and the RM of Rosser.

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 CentrePort South Water and Sewer Servicing, 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

No implications.

HISTORY/DISCUSSION

See Appendix C – Key Project Events (History)

Procurement (Update from last report)

Table 1 below summarizes the contracts for this project. Percent complete is based on actual contract schedule to Total Performance.

RFP 122-2023: KGS, Detailed Design and Contract Administration

KGS continues to perform engineering design services including work on the wastewater hydraulic modeling for CentrePort South. Calibration of the hydraulic model is in-progress

Construction

301-2024 Lift Station

- Ongoing construction work includes:
 - Excavation of wet and dry well
 - Slab formwork removed

- Drilling and pouring of piles completed
- Force main tie-in installation complete
- Valve chamber roof concrete was poured
- Gabion wall and fence construction complete

427-2027 Force Main

- Provincial approval was granted for the open-cut method of the force main installation at Oak Point Highway
- The Public Service obtained a development permit for construction of a temporary gravel parking lot. The temporary lot is for parking trucks during construction of the force main under existing parking lot of Maxim Truck and Trailer
- Ongoing construction work includes:
 - Pavement restoration of parking lot at Maxim Truck and Trailer
 - Construction for CPKC crossing continues
 - Crossing at Oak Point Highway
 - Force main pipe installation under CN Railway is complete
 - 1,550 m of piping installed

990-2023B Interceptor and Intake Sewers

- During the secant piling for two of the sewer manholes, the contractor encountered a significant number of boulders in the excavation area. An extra work claim of \$522,000 for boulder removal has been submitted by Bothar and is under review
- Microtunneling for the interceptor sewer pipe commenced the week of June 9, 2025
- Bothar is currently behind schedule. To compensate, Bothar is evaluating using an additional crew to perform manhole works and performing 24-hour tunneling operations for the remaining tunnel drives
- Ongoing construction work includes:
 - Work on three manholes
 - Microtunneling of drive 1 (70 percent complete)

220-2024 Feeder Main

- Minor construction works completed on the offtake structures
- Connection to the feeder main on Rouge Road is complete
- Ongoing construction work includes:
 - Sod installation in soccer fields
 - Subgrade and topsoil trimming
- The feeder main railway crossing at Saskatchewan Avenue is the only outstanding pipe installation remaining and will be installed by trenchless methods.
 - Anticipated completion is fall 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
122-2023	KGS Group	Professional Engineering Consulting Services for CentrePort South Water and Wastewater Servicing Phase 1A - Detailed Design	\$ 5,779,900	\$ 1,783,060	23-Jun-23	2-Apr-27	72%
301-2024	J-Con Civil Ltd.	Contract 1A - New Wastewater Lift Station	\$ 12,736,111	\$ -	8-Oct-24	30-Oct-26	31%
427-2024	Tri-Core Projects Ltd.	Contract 2A - 450mm Force Main	\$ 21,657,005		10-Sep-24	30-Oct-26	31%
990-2023B	Bothar Inc.	Contract 3 - Interceptor and Intake Sewers	\$ 11,510,955	\$ 1,391,709	2-Jul-24	31-Oct-25	62%
220-2024	Tri-Core Projects Ltd.	Contract 4A - 750mm Feeder Main	\$ 10,688,800	\$ 1,287,100	2-Jul-24	31-Aug-25	43%
Total			\$ 62,372,771	\$ 4,461,869			

Upcoming Procurements:

Description	Anticipated Award Date

Schedule (Update from last report)

The key schedule milestones for the CentrePort South project have been included in Table 2 below. Percent complete is calculated from start of design to substantial completion.

Table 2 – Milestones

Milestones					
Deliverable		Original Targeted Completion Date	Revised Targeted Completion Date	Actual Completion Date	Estimated % Complete
1	Heritage Resource Impact Assessments	Q4 2023	Q2 2024	Q3 2024	100%
2	Contract 1A - By Pass Lift Station Substantial Completion	Q3 2024	Q3 2026		66%
3	Contract 2A - Force Main Substantial Completion	Q4 2025	Q3 2026		68%
4	Contract 3 - Interceptor and Intake Sewers Substantial Completion	Q2 2025	Q4 2025		91%
5	Contract 4A - Feeder Main Substantial Completion	Q2 2025	Q2 2026		71%

Risk (Update from last report)

New Risks:

- Subcontractor for the feeder main rail crossing tunneling work is behind schedule. Currently, the work is planned for fall of 2025; this can be accommodated in the schedule. If there are further delays, overall schedule and cost could be impacted.
- The proposed force main alignment and associated permitting was previously approved by Manitoba Transportation and Infrastructure (MTI) and RM of Rosser. Both of these groups have approved other infrastructure projects that directly conflict with the force main. Project team members will meet with MTI and RM of Rosser to discuss infrastructure conflicts.

Mitigated Risks

- Provincial approval has been granted for the open-cut method of the force main installation at Oak Point Highway. Construction can now proceed as planned.
- Enter to Construct agreement was obtained for the construction of the force main pipe near the intersection of CentrePort Canada Way and Sturgeon Road. This action reduces the risk of schedule delays.
- Test holes and pump tests have been completed to investigate the ground water conditions for the interceptor sewer contract. The testing found no new ground water conditions and mitigated concerns regarding a sudden basal rupture.
- A change order was issued to manage groundwater levels at the feeder main railway crossing at Saskatchewan Avenue.

Table 3 – Significant Risks and Mitigations Strategies

(see next page)

Significant Risks and Mitigation Strategies	
Risk Statement and Explanation	Risk Mitigation Management Plan
New:	
Subcontractor for the feeder main rail crossing tunneling work is behind schedule. Currently the work is planned for fall of 2025; this can be accommodated in the schedule. If there are further delays, overall schedule and cost could be impacted.	Contractor shall provide an updated schedule, which includes the feeder main crossing construction works and planned coordination meeting touch-points.
The proposed force main alignment and associated permitting was previously approved by MTI and RM of Rosser. Both of these groups have approved other infrastructure projects that directly conflict with the force main.	Project team members will meet with MTI and RM of Rosser to discuss infrastructure conflicts.
Ongoing:	
Negotiations for permanent easements for the interceptor are ongoing.	* If permanent easements cannot be secured, consider outright purchase of the required lands. Alternatively, explore expropriation option. * Pursue enter to construct agreements to allow construction to start.
Mitigated:	
Higher than expected groundwater levels for the feeder main railway crossing at Saskatchewan Avenue will delay completion of the feeder main construction contract. This may result in a change work order.	The Public Service will continue to work the Contractor to come up with an agreeable solution to minimize cost and schedule impacts.
Exemplar Developments require land agreements for a segment of the force main pipe located near the intersection of CentrePort Canada Way and Sturgeon Road.	The Public Service will pursue Entry to Construct agreements to avoid schedule delays.
Consultant resident services hours stated in request for proposal could be exceeded as a result of the additional work due to changes in conditions on-site. A consultant change in scope will be required should this occur.	Consultant to provide fee estimate for resident services to complete the construction contracts.
Shaft excavation for the interceptor pipe has stopped due to concerns for a sudden basal rupture. Delays could impact construction schedule.	Contractor to complete ground assessment work to ensure safe excavation of the shafts.
Traffic disruptions Oak Point Highway due to lane closures from open cut pipe installation.	Meetings and an installation and traffic management plan will occur before work begins.
Additional land agreements were identified for the feeder main and force main alignments. This could impact the start of construction activities.	Early discussions with stakeholders and advance design activities. The Public Service will pursue <i>Entry to Construct</i> agreements to avoid schedule delays.
Issuance of the letter of credit to the RM of Rosser will delay construction activities for the force main pipe installation under East Colony Creek. Work within East Colony Creek right of way is intended to occur in winter from December 15, 2024 to March 1, 2025, when the creek is not flowing.	A letter of credit was issued to the RM of Rosser. All requirements of the early construction agreement have been fulfilled and construction can proceed as planned within the RM of Rosser.
Higher than expected ground water elevations has caused the interceptor sewer contractor to review designs.	The Public Service will continue to work the Contractor to come up with an agreeable solution to minimize cost and schedule impacts.
The force main tender has unique risks (difficult ground conditions, limited access, restrictive site conditions from private property and right-of-ways, and varying installation technologies necessary to complete various water and rail crossings.	Extension to the substantial completion date to allow Contractors to complete the work on schedule.
Commissioning of the force main is required to test the performance of the lift station.	Substantial completion date of the lift station has been extended to Q3 2026.
Delivery times for some lift station equipment will take approximately a year to come. This has extended the substantial completion date.	Finish the design and post construction tender as quickly as possible. Ensure the contractor orders equipment with long lead times early in the project.
Application for a development permit requires the lift station property to be owned by the City. The purchase agreement has not yet been fully executed between the City and the Province of Manitoba.	The Public Service will continue to work with the Province to finalize the land purchase agreement as quickly as possible.
Higher precipitation this summer has the potential for higher than anticipated groundwater elevations along the force main alignment.	Include appropriate allowance in the contract to manage groundwater. Obtain unit rates for pump tests, ground depressurization wells, and daily pumping for dewatering.
In order to construct the force main pipe within the RM of Rosser, RM of Rosser approvals are required. Delayed approvals could impact posting of the force main contract resulting construction schedule impacts.	Submit 90% design drawings and specifications as soon as ready. Engage the RM's engineer to inquire about preferred specifications for bedding, backfill, and road restorations. Follow up frequently to ensure review and approval process progresses in a timely fashion.
Significant construction and consulting escalation has occurred since the 2020 preliminary design cost estimate.	The Public Service will continue to monitor scope and cost during the detailed design phase.
Land acquisition negotiations for the lift station location are still underway. This could delay detailed design and construction.	Obtain Consent of Entry from property owners to proceed with pre-construction activities.
Additional engagement with stakeholders is required to communicate impacts on Heritage Resources.	The Public Service is working with the Province to determine which stakeholders and rightsholders are impacted.
Infrastructure alignment from the preliminary design is under review. Discussions with various stakeholders are ongoing and could affect the preferred alignment which may impact project costs.	Early discussions with stakeholders and additional survey and design activities to evaluate alternate alignments.

Financial (Update from last report)

For further information, refer to Appendix B – Financial Forecast

Funding (Update from last report)

Refer to Table 4 below for funding details.

Table 4 – Project Funding Forecast

Funding Forecast			
Funding Source	Adopted Budget ¹ (in millions)	Amended Budget (in millions)	Committed (in millions)
Class of Estimate	Class 3	Class 3	Class 3
CentrePort South Water and Sewer			
Retained Earnings	25.7	25.7	25.7
External Debt	8.0	8.0	8.0
Province of Manitoba	40.0	40.0	40.0
Total	\$ 73.7	\$ 73.7	\$ 73.7

¹ On March 30, 2023 a funding agreement was signed for the CentrePort South Project between the Government of Manitoba and The City of Winnipeg

Property Acquisition (Update from last report)

Enter to Construct agreement was obtained for the force main pipe near the intersection of CentrePort Canada Way and Sturgeon Road. This is the last land agreement required for construction of the regional infrastructure.

Purchase and Sale Agreement with the Province of Manitoba is being amended to include an additional 2,533± m² (27,261± ft²) of land for the future lift station.

The Public Service obtained a development permit for construction of a temporary gravel parking lot. The temporary lot is for parking trucks during construction of force main under existing parking lot of Maxim Truck and Trailer.

The Public Service is working with MTI to secure lands for the future force main pipe.

Stakeholder Engagements/Communications (Update from last report)

The City continues to work with a number of stakeholders on the project including:

- RM of Rosser

- Canadian Pacific Kansas City (CPKC)
- Manitoba Transportation and Infrastructure
- Private land owners
- Residential and industrial developers

Subsequent Events after Report Period End Date

During installation of the interceptor sewer pipe, a boulder damaged a section of pipe. Further investigation is required to determine a suitable repair solution.

Concerns regarding the alignment of the force main with MTI and the RM of Rosser have been addressed, and meetings are now being scheduled to avoid future conflicts.

FINANCIAL IMPACT

Financial Impact Statement**Date:** September 9, 2025

Project Name:

CentrePort South Water and Sewer Servicing

Project ID: 2004001222, 2004001223, 2004001224, 2037001722, 2037001723 and 2037001724**Quarterley Project Status Report No. 8****For the Period Ended July 31, 2025****Comments:**

Financial Forecast for CentrePortSouth Water and Sewer Servicing can be found in Appendix B.

Lucy Szkwarek, FCPA, FCGA

Lucy Szkwarek, FCPA, FCGA

Manager of Finance and Administration

CONSULTATION

This Report has been prepared in consultation with:

N/A

OURWINNIPEG POLICY ALIGNMENT

This report aligns with OurWinnipeg 2045, Policy 2.17 Regional Water Resource Management, by protecting local and regional watershed resources from the negative impacts of development, flooding, and pollution.

Objective: Protect and value ecosystems as essential components to quality of life through municipal activities and urban environment.

This report aligns OurWinnipeg 2045, Policy 2.18 Potable Water Conservation, by providing safe, reliable and sustainable supply of potable water.

Objective: Protect and value ecosystems as essential components to quality of life through municipal activities and urban environment.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Climate Action Plan (CAP), and it was determined that the CAP is not applicable to this specific report.

WINNIPEG POVERTY REDUCTION STRATEGY ALIGNMENT

Consideration was given as to whether this report connects to the Winnipeg Poverty Reduction Strategy (PRS) and its Goals and Objectives, and it was determined that the PRS is not applicable to this specific report.

SUBMITTED BY

Department: Water and Waste
Division: Engineering Services
Prepared by: Tim Turzak, C.E.T.
Date: September 9, 2025

Appendices

Appendix A – Key Project Facts

Appendix B – Financial Forecast

Appendix C – Key Project Events (History)

Appendix D – CentrePort South Regional Infrastructure Phase 1A

Appendix A – Key Project Facts

Appendix A – Key Project Facts	
Project Name	CentrePort South Water and Sewer Servicing
Business Owner (Department)	Water and Waste Department
Project ID	2004001222, 2004001223, 2004001224, 2037001722, 2037001723, 2037001724
Project Sponsor	Stacy Cournoyer
Department Responsible for Project Delivery	Water and Waste Department
Consultant Engineer (Company Name)	KGS Group
Adopted Budget	On March 30, 2023 a Bi-party funding agreement was executed between the Government of Manitoba and The City of Winnipeg. The Adopted Budget for CentrePort South is \$73.7 million. The Provincial funding contribution for this project totals \$40 million.
Class of Estimate (Adopted)	Class 3 cost estimate
Range of Estimate (Adopted)	High +30%, Low -20% (\$95.8 million to \$59.0 million)
Amended Budget	
Class of Estimate (Amended)	
Range of Estimate (Amended)	
Project Scope	
CentrePort Canada is North America's largest trimodal inland port shared between the City of Winnipeg and the RM of Rosser. The goal of this project is to bring regional water and wastewater infrastructure to the southern portions of CentrePort Canada (CentrePort South) located within the City of Winnipeg.	
Major Capital Projects Advisory Committee Membership:	
Matt Dryburgh, Acting Deputy Chief Administrative Officer Tracy Graham, Chief Financial Officer Hazel Borys, Director of Planning Property & Development Jim Berezowsky, Director of Public Works Tim Shanks, Director of Water and Waste Danny Tooth, Acting Manager of Major Project Oversight Cynthia Wiebe, Manager of Engineering Services, Water and Waste	

Appendix B – Financial Forecast

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	Amended Budget	Actual Costs To July 31, 2025	Projected Costs				Total Forecasted Costs				
					2024	2025	2026	2027					
Engineering, Design and Other	\$ 9,941	\$ -	\$ 9,941	\$ 7,653	\$ -	\$ 3,162	\$ 2,630	\$ -	\$ 13,445	\$ (3,504)	\$ -	\$ (3,504)	
Construction	\$ 51,202	\$ -	\$ 51,202	\$ 26,937	\$ -	\$ 15,438	\$ 15,800	\$ -	\$ 58,175	\$ (6,973)	\$ 28	\$ (7,001)	
Land Acquisition	\$ 2,453	\$ -	\$ 2,453	\$ 409	\$ -	\$ 730	\$ 941	\$ -	\$ 2,080	\$ 373	\$ (27)	\$ 400	
Internal Financing/Overhead Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Contingency	\$ 10,104	\$ -	\$ 10,104	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,104	\$ -	\$ 10,104	
Total Project Budget	\$ 73,700	\$ -	\$ 73,700	\$ 34,999	\$ -	\$ 19,330	\$ 19,371	\$ -	\$ 73,700	\$ 0			
% of Project Budget Spent (Actual Costs to Date / Adopted & Amended Budget)	47%		47%										

Project ID	Project Year	Adopted Budget	Cost to Date
2004001222	2022	\$5,000	\$3,809
2004001223	2023	\$10,000	\$3,785
2004001224	2024	\$3,200	\$1,370
2037001722	2022	\$16,000	\$10,540
2037001723	2023	\$30,000	\$11,440
2037001724	2024	\$9,500	\$4,055
Total Project Budget		\$73,700	\$34,999

Appendix C – Key Project Events (History)

On June 21, 2019 KGS Group was retained to perform preliminary engineering services for Airport Area West Regional Water and Wastewater Servicing. The preliminary design report can be found here: <https://engage.winnipeg.ca/airport-area-west-water-wastewater-study> (Airport Area West has been renamed to CentrePort South).

On March 30, 2023 a funding agreement was signed for the CentrePort South project between the Government of Manitoba and The City of Winnipeg, with the Provincial contribution totaling \$40 million.

On June 23, 2023, Standing Policy Committee on Water, Waste and Environment approved a \$5.8 million award to KGS Group for Professional Consulting Services for CentrePort South Regional Water and Wastewater Servicing – Phase 1A Detailed Design and Contract Administration.

On January 23, 2024 the Public Service hosted and information and engagement session with First Nation groups that may have ties to the burial mounds in CentrePort South.

On May 13, 2024 the Public Service hosted and information and engagement session with Manitoba Metis Federation (MMF) representatives that have interest on heritage resource findings in CentrePort South.

On June 28, 2024, Standing Policy Committee on Water, Waste and Environment approved an award to Bothar Inc. for construction of 1,045 M of 1,200mm interceptor sewer pipe. Tender 990-2023B - Contract No. 3 at an estimated cost of \$11,285,249.67 plus a possible site occupancy bonus of \$225,704.99.

On June 28, 2024, Standing Policy Committee on Water, Waste and Environment approved an award to Tri-Core Projects Ltd. for construction of 2,301 M of 750mm feeder main pipe. Tender 220-2024 - Contract No. 4A at an estimated cost of \$10,688,800.00.

On September 9, 2024, Standing Policy Committee on Water, Waste and Environment approved an award to Tri-Core Projects Ltd. for construction of a new Force Main system in CentrePort South. Tender 427-2024 - Contract No. 2A at an estimated cost of \$21,657,005.10.

On October 4, 2024, Standing Policy Committee on Water, Waste and Environment approved an award to J-CON Civil Ltd. for construction of a New Wastewater Lift Station. Tender 301-2024 - Contract No. 1A at an estimated cost of \$12,736,111.00.

On April 11, 2025, Standing Policy Committee on Water, Waste and Environment approved a Contract Over-Expenditure for construction of the interceptor sewer –Tender No. 990-2023B in the amount of \$1.4 million.

On April 11, 2025, Standing Policy Committee on Water, Waste and Environment approved a Contract Over-Expenditure for construction of the feeder main – Tender No. 220-2024 in the amount of \$1.3 million.

Appendix D – CentrePort South Regional Infrastructure Phase 1A

