

**Minutes – Standing Policy Committee on Finance – June 19, 2014**

**REPORTS**

**Minute No. 81      Plessis Road Twinning and Grade Separation at CN Rail – Financial Status Report No. 6 for the period ending March 31, 2014**

**STANDING COMMITTEE DECISION:**

The Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service and received the report as information.

**Minutes – Standing Policy Committee on Finance – June 19, 2014**

DECISION MAKING HISTORY:

Moved by Councillor Havixbeck,

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

Carried

David M. Sanders submitted a communication dated June 19, 2014, with respect to the Plessis Road Twinning and Grade Separation at CN Rail – Financial Status Report No. 6 for the period ending March 31, 2014

## ADMINISTRATIVE REPORT

**Title: PLESSIS ROAD TWINNING AND GRADE SEPARATION AT CN RAIL – FINANCIAL STATUS REPORT NO. 6 FOR THE PERIOD ENDING MARCH 31, 2014**

**Critical Path: STANDING POLICY COMMITTEE ON FINANCE**

### AUTHORIZATION

Author	Department Head	CFO	CAO
L. P. Deane, P. Eng.	B.W. Sacher, P.Eng.	M. Ruta	D. Joshi A/CAO

### RECOMMENDATIONS

That this financial status of the Plessis Road Twinning and Grade Separation at CN Rail as contained in this report be received as information.

### REASON FOR THE REPORT

Administrative Standard FM-004 requires quarterly reporting to the Standing Policy Committee on Finance.

### IMPLICATIONS OF THE RECOMMENDATIONS

The project completion date identified in the draft Building Canada Fund agreement of March 31, 2015, is not achievable; Total Performance of construction is expected to be achieved in September, 2015, and a one-year extension has been requested from federal and provincial funding partners and has been approved by the latter. The project is on budget but costs that are ineligible for federal and provincial funding exceed the additional \$2,000,000 the City of Winnipeg has allocated to this project. Assuming the Federal Government will approve an extension to the project completion date, it is expected that the City will need to contribute an additional \$2,976,668.

### HISTORY

On November 16, 2011, Council adopted a first charge of \$2 million in 2011 or prior to the adoption of the 2012 Capital Budget to allow for timely award of a Consulting Engineering Assignment to undertake the Preliminary Design Study and to initiate property acquisitions.

On December 13, 2011, Council adopted the 2012 Capital Budget which identified \$77,000,000 for the Plessis Road Twinning and Grade Separation at CN Rail, including contributions from the Building Canada Fund (Federal Government; \$25,000,000) and the Provincial Government (\$25,000,000).

On December 22, 2011, the City submitted the Plessis Road Underpass Project Application to the Government of Canada Infrastructure Funding to the Canada-Manitoba Infrastructure Secretariat.

On January 12, 2012, the City notified the rail authority of the application to the Building Canada Fund and requested that discussions commence as soon as possible. On July 16, 2012, the rail authority requested a proposal from the City demonstrating the need for a grade separation structure and substantiating that an underpass as opposed to an overpass is warranted. On May 31, 2013, the City of Winnipeg submitted the Plessis Road Underpass Project: Cost Apportionment Proposal to the rail authority as a starting point for negotiations pursuant to Canadian Transportation Agency guidelines.

On January 24, 2012, Professional Consulting Services were awarded to AECOM Canada Ltd. for a preliminary land drainage study which was completed on May 4, 2012.

On June 18, 2012, the City was advised that the Government of Canada has identified the Plessis Road Underpass Project as a priority for funding consideration under the Building Canada Fund – Major Infrastructure Component. Under the program, the Government of Canada will consider an investment of up to one-third of the project's total eligible costs, to a maximum contribution of \$25,000,000, conditional upon the completion of a federal project review, fulfilling environmental and Aboriginal consultation requirements, and signing contribution agreements, amongst others.

On July 11, 2012, Professional Consulting Services were awarded to AECOM Canada Ltd. for Project Planning and Preliminary Design. Fees for future services (Detailed Design, Contract Administration and Post Construction Services) will be negotiated at key stages. Future services cannot commence until authorization is provided by the City. Fees for Detailed Design and Contract 1 Contract Administration were negotiated with the Director of Public Works on June 25, 2013; AECOM Canada Ltd. was authorized to proceed with these works on July 12, 2013, following approval of the Chief Administrative Officer. Fees for Oil Pipeline Designs and Contract Administration for Contracts 2, 3 and 4 are currently being negotiated.

On July 17, 2012, Manitoba Conservation and Water Stewardship confirmed this project will not require environmental assessment and licensing pursuant to the Environment Act.

On July 20, 2012, the Plessis Road Underpass Project Business Case was submitted to Transport Canada for federal project review.

On October 9, 2012, the Aboriginal Consultation Form was submitted to the Province of Manitoba recommending that consultation is not required as the Project does not adversely affect an Aboriginal treaty right.

On October 9, 2012, owner controlled Professional and Pollution Liability Insurance coverage were put in place.

On October 12, 2012, the Preliminary Environmental Review form was submitted to Transport Canada who will assess federal environmental assessment requirements. On May 1, 2013, Transport Canada confirmed that no further information is required.

On November 15, 2012, Professional Consulting Services were awarded for Third Party Contract Administration (Advisory and Public Participation Services) to MMM Group Limited.

In December 2012, the existing sewers were cleaned and televised where required. The tapes will be reviewed to identify and address any deterioration prior to construction.

On December 19, 2012, Transport Canada advised Mayor Katz of approval-in-principle of funding for the Plessis Road Underpass Project. The draft contribution agreement was received on April 16, 2013; negotiations are ongoing.

On February 12 and 13, 2013, a value engineering session was attended by subject matter experts and stakeholders. The purpose of the session was to ensure the City of Winnipeg is receiving value for our budget by identifying cost saving, risk reduction and schedule improvement opportunities.

On February 28 and June 19, 2013, Public Open Houses were held. Corporate Support Services provided translation services for the newsletter, advertisements and story boards.

On April 15, 2013, a letter of intent was submitted to the rail authority for the supply of safety flagging and track materials as well as the protection, design and relocation of their signals and fibre optics.

On April 16, 2013, the draft contribution agreement was received from the Government of Manitoba; negotiations are ongoing.

On May 7, 2013, approval-in-principle was received from the rail authority to construct water pipeline crossings subject to submitting evidence of insurance, signing and returning the crossing agreements and paying the associated fees. Final approval to proceed with the work was received from the rail authority on July 9, 2013.

On May 24, 2013, the City of Winnipeg signed and returned an oil authority Letter of Intent confirming both parties' mutual interest in proceeding with relocating their pipeline to accommodate the underpass. The Letter of Intent obligates the City of Winnipeg to pay for the oil authority's design work and both parties to prepare and negotiate an agreement within 60 days. The oil authority will prepare the initial draft agreement which, once executed, will supersede the Letter of Intent. The initial draft agreement was received on December 27, 2013; negotiations are ongoing. On July 8, 2013, the oil authority indicated that due to their capital project process they cannot continue to administer the design and relocation of their pipeline. The oil authority indicated that the City of Winnipeg will need to procure a design consultant and construction contractor to proceed with these works. On September 9 and 16, 2013, the oil authorities confirmed URS is an acceptable engineering firm to prepare the designs related to their plant relocations; AECOM Canada Ltd. will engage URS as a subconsultant.

On May 28, 2013, a settlement data sheet approving the temporary easement at Big Freight Systems Inc. was completed.

On May 29, 2013, Council passed expropriation by-law 56/2013 and made the corresponding Declaration of Expropriation. Notices of Intended Expropriation were submitted to the Winnipeg Land Titles Office and owners and encumbrancers. Two objections to the intended expropriations were received; however, one was withdrawn and the other was removed in an Amended Declaration of Expropriation. A hearing before the Inquiry Officer was not required.

On May 29, 2013, Council concurred with the Executive Policy Committee's recommendation that the Chief Administrative Officer be delegated the authority to award construction contracts exceeding \$10,000,000.00, including multi-year contracts not exceeding 5 years, associated with the Plessis Road Twinning and Grade Separation at CN Rail Project, within the Council approved budget.

On June 3, 2013, the City of Winnipeg engaged River East Transcona School Division to provide additional crossing guards at Bernie Wolfe Community School during construction.

On June 11, 2013, the acquisitions of 1168 and 1172 Plessis Road were approved by Standing Committee.

On June 13, 2013, the City of Winnipeg engaged Intergraphics Decal Ltd. to fabricate infrastructure signage for the project.

On June 14, 2013, Hy-Way Construction Inc. was awarded Contract 1: Rail Shoofly Grade Preparation and Miscellaneous Wastewater Sewer, Watermain and Land Drainage Works (Bid Opportunity No. 342-2013).

On June 25, 2013, a Request for Service was sent to the Traffic Signals Branch for the design, supply and installation of traffic signals.

On June 27, 2013, Contract 2: Shoofly Track Installation and Permanent Track Construction (Bid Opportunity No. 539-2013) was advertised on the Materials Management website. On July 19, 2013, Materials Management indicated that no bids were received. On October 2, 2013, the Chief Operating Officer approved the Single Source Negotiation and Award to Cando Contracting Ltd.

On June 28, 2013, detailed design drawings were submitted to the rail authority for comment. The railway provided feedback on November 18, 2013.

On July 9, 2013, the rail authority confirmed they cannot supply track materials. The supply of the majority of these materials has been included in Contract 2; the remainder is anticipated to be included in Contract 3.

On July 15, 2013, Enter and Construct agreements were executed with Fresh Water Fish Marketing Corporation and the rail authority. On February 27, 2014, the permit expiration date with the rail authority was extended to April 30, 2014.

On July 15, 2013, the rail authority indicated they do not have the available staff to supply safety flagging and the City would need to procure these services. In the interim works in the rail authority's right of way could not commence. The City's contractor has been supplying a safety flagger since July 29, 2013.

On July 16, 2013, the temporary construction easement was executed with Big Freight Systems Inc.

On July 17, 2013, Council approved the land exchange for the temporary easement with East Side Self Storage.

On July 28, 2013, Plessis Road was closed between Dugald Road and Kernaghan Avenue and is now expected to open in summer 2015.

On August 7, 2013, the City requested that the Federal Government consider costs incurred prior to approval-in-principle, contracts signed prior to approval-in-principle, and services delivered by employees of the City as eligible costs. On August 27, 2013, the Federal Government confirmed that services delivered by employees of the City are eligible, however any cost incurred and/or contract awarded prior to the approval-in-principal date of December 19, 2012 is not eligible for reimbursement by Canada.

On October 15, 2013, the rail authority confirmed they will supply the No. 12 turnouts for the permanent track.

On October 17, 2013, an oil authority submitted a Confidentiality Agreement to the City which had to be executed before they would provide the City with design information related to their plant. The oil authority's design criteria was received in early November, 2013.

On October 17, 2013, the City advised an oil authority that the Water Stewardship is concerned with their proposed design. An alternative alignment has been developed in consultation with, but has yet to be approved by, the oil authority.

On October 17, 2013, an oil authority indicated that there is only one contractor that is approved to relocate their pipeline. The City requested a letter from the oil authority instructing the City to engage the contractor for their pipeline relocation works. On December 20, 2013, the oil authority indicated that they will not supply the requested letter.

On October 25, 2013, the City requested that the Government of Manitoba approve a one-year extension to the project completion date. On January 9, 2014, Manitoba confirmed it has no issue with extending the project completion deadline to March 31, 2016.

On November 5, 2013, the City requested that the rail authority relocate their gate cables or decommission the gates as the road is closed. On November 15, 2013, the rail authority identified site safety concerns that required attention before the gates can be decommissioned. The City addressed the rail authority's concerns by November 20, 2013 and requested a meeting to confirm compliance. In March, 2014, the rail authority indicated that the existing grade crossing cannot be decommissioned until the agreement with the City is executed.

On November 13, 2013, the rail authority submitted the draft agreement; the issue as to whether the railway's share of the costs should be calculated after applying the amounts received from Canada and Manitoba has been highlighted as a matter for further adjudication by the Canadian Transportation Agency. Negotiations are ongoing.

On November 22, 2013, Contract 3 (roadworks, structures, pump station, land drainage and miscellaneous works) was advertised on the City's Materials Management website. The bid submission deadline has been extended twice due to delays associated with relocating the oil pipelines and closed on February 7, 2014. The City intended to award the contract by February 21, 2014. The contract was awarded to PCL Constructors Canada Inc. on March 5, 2014.

On November 28, 2013, the City received a letter confirming funding support from Manitoba.

On December 2, 2013, an oil authority indicated that their works associated with relocating their plant will be completed approximately six weeks later than anticipated. On January 14, 2014, the oil authority indicated that their reconnection works will need to be staged and will take a further three weeks.

In December, 2013, Notices of Expropriation, Offers of Compensation and Notices of Possession were distributed to affected persons in accordance with the Expropriation Act. Notice of the confirming order was published in a local paper on December 3, 2013. The persons served must surrender and give up possession of the expropriated land on or before noon on January 30, 2014. Any owner/encumbrancer/occupant may request that the possession date be extended.

On January 10, 2014, the Government of Canada indicated that in the event the City is unable to open two lanes on Plessis Road to traffic by December 31, 2014, it may terminate the Agreement or suspend its funding obligations. On February 13, 2014, the City requested that Transport Canada approve a one-year extension to the project completion date.

On January 25, 2014, it was identified that if the pipeline is lowered, a secure (fenced) shutoff valve is required on the oil pipeline south of the rail line. The supply time for the valve was estimated at six months and ownership of the majority of the property south of the rail line is expected to be transferred to an adjacent landowner.

On January 27, 2014, Contract 4: Oil Pipelines Relocation Works (Bid Opportunity 1058-2013) was advertised on the City's Materials Management website with a submission deadline of February 7, 2014. In accordance with the bid opportunity, the successful bidder had to be qualified by the oil authorities. Only one bid was received and the bidder was not qualified. The non-award report and authorization to negotiate a single source contract was approved on March 19, 2014.

On January 28, 2014, an oil authority provided the City with their list of approved Canadian vendors.

On February 14, 2014, the Province indicated that the following costs (an estimate totaling approximately \$470,000), which were incurred prior to the City receiving approval-in-principal of funding from Canada, will be considered eligible:

- Owner-controlled professional and pollution liability insurance
- Third party contract administration
- Sewer televising

On February 19, 2014, an oil authority provided the City with a list of their approved contractors. The oil authority had previously declined to provide the City with a list.

On February 24, 2014, an oil authority indicated that the cost estimate they provided in the draft agreement was not a firm estimate and their works associated with relocating their pipeline through the rail shoofly will likely cost an additional \$4M. To mitigate the cost and schedule impacts associated with:

- receiving no bids for Contract 4;
- the shutoff valve requirement; and
- the additional \$4M associated with relocating the pipeline through the rail shoofly a structural slab will be constructed over the existing pipeline.

On March 17, 2014, the rail authority confirmed that they will supply the track materials for the permanent alignment.

On March 19, 2014, the City began single source negotiations for the oil pipeline works with the only contractor that is qualified by both oil authorities. One reason the contractor declined to bid on Contract 4 was they do not want to supply the pipeline materials. Contract 5 Supply of Steel Pipe and Fittings will be advertised on the City's Materials Management website.

### **MAJOR CAPITAL PROJECT STEERING COMMITTEE**

Administrative Standard for projects with capital cost exceeding \$10 million requires formation of Major Capital Project Steering Committee. The Committee members include:

Brad Sacher, Director of Public Works  
Diane Sacher, Director of Water and Waste  
Dave Wardrop, Director of Transit  
Jason Ruby, Manager of Capital Projects  
Blake Kibbins, Streets Project Engineer

### **PROJECT STATUS**

The project is on budget but costs that are ineligible for federal and provincial funding exceed the additional \$2,000,000 the City of Winnipeg has allocated to this project.

### **DESCRIPTION OF PROJECT**

The existing at-grade crossing of Plessis Road at the CNR Redditt Subdivision will be replaced with an underpass grade separation structure, including earth retaining structures, to provide improvements in road safety, mobility, and sustainability. The underpass will be designed to accommodate four through lanes and auxiliary lanes where warranted. The pavement and bridge structure will support the addition of two through lanes in the future without modification to the bridge structure, retaining structures or embankment slopes.

Geometric and capacity improvements at the intersection of Plessis Road and Dugald Road are required. Plessis Road will be reconstructed between Pandora Avenue and Dugald Road. This section of Plessis Road is part of the City of Winnipeg Strategic Road Network as identified in the Winnipeg Transportation Master Plan and will be widened to four lanes.

Connections to the existing pedestrian and active transportation facilities on Pandora Avenue and Dugald Road will be provided on Plessis Road.

Provision of an underpass pumping facility is required.

Construction of the underpass will require the relocation of several utilities, including but not limited to watermains, sewers, fibre optic cables, gas mains, distribution poles, street lights and Manitoba Telecom Services plant.

Imperial Oil Limited and Shell Canada have pipelines and a valve station in the vicinity of the proposed underpass. The pipelines will need be relocated or lowered.

A temporary rail detour will direct rail traffic around the bridge construction. Disruption to rail operations during construction will be minimized.

**PROJECT SCHEDULE**

Professional Service Contracts pending and awarded as of the date of this report are as follows:

<b>Bid Opportunity</b>	<b>Awarded To</b>	<b>Description</b>	<b>Award / Authorization Date</b>	<b>Completion Date</b>	<b>Award Value</b>
Direct Assign	AECOM Canada Ltd.	Preliminary Land Drainage Study	January 24, 2012	May 4, 2012	\$65,985.00
142-2012	AECOM Canada Ltd.	Planning and Preliminary Design Services	July 11, 2012	On-going	\$1,114,282.00
518-2012	MMM Group Limited	Third Party Contract Administration	November 15, 2012	On-going	\$469,307.00
142-2012	AECOM Canada Ltd.	Detailed Design Services	July 12, 2013	On-going	\$2,682,642.00
142-2012	AECOM Canada Ltd.	Contract 1 Contract Administration Services	July 12, 2013	On-going	\$389,001.00

Construction Contracts pending and awarded as of the date of this report are as follows:

<b>Bid Opportunity</b>	<b>Awarded To</b>	<b>Description</b>	<b>Award Date</b>	<b>Completion Date</b>	<b>Award Value</b>
342-2013	Hy-Way Construction Inc.	Contract 1: Rail Shoofly Embankment and Water Utilities	June 14, 2013	On-going	\$2,059,412.00
539-2013B	Cando Contracting Ltd.	Contract 2: Track Installation	October 4, 2013	On-going	\$6,892,352.84
712-2013	PCL Constructors Canada Inc.	Contract 3: Roadworks, Structures, Pump Station, Municipal Utilities and Landscaping	March 5, 2014	On-going	\$35,422,891.04

**RISKS AND RISK MITIGATION STRATEGIES**

In accordance with Administrative Standard FM-004, the design consultant is responsible for developing a Risk Management Plan identifying risks and appropriate mitigation strategies as they relate to the successful completion of the project. Tools developed by the City of Winnipeg Audit Department were employed and the following risks have been identified:

Schedule

- The original project completion date is not achievable and a one-year extension to the project completion date has been requested of Federal and Provincial funding partners. Manitoba has approved the extension.

Costs

- The additional \$2,000,000 the City of Winnipeg is contributing to this project is not sufficient to cover ineligible costs identified by the Building Canada Fund and Manitoba.
- **Assuming an extension to the project completion date will be approved by Canada**, costs that are ineligible for reimbursement by Canada are anticipated to be:
  - Overheads and Other - costs incurred prior to federal approval-in-principle (owner controlled insurance coverage and sewer televising; \$400,000); overhead and administration expenditures (\$2,200,000)
  - Any and all expenditures related to contracts signed prior to federal approval-in-principle (Professional Service Contracts; \$1,650,000)
  - The cost of purchasing land and associated fees (\$2,650,000)
  - **Total estimate of potential ineligible costs (\$6,900,000)**
  - **Total estimate of potential eligible costs (\$70,100,000)**
- Costs that are ineligible for reimbursement by Manitoba are anticipated to be:
  - Overheads and Other – overhead and administrative expenditures (\$2,200,000)
  - Expenditures related to contracts signed prior to federal approval-in-principle (Professional Service Contracts; \$1,180,000)
  - The cost of purchasing land and associated feeds (\$2,650,000)
  - **Total estimate of potential ineligible costs (\$6,030,000)**
  - **Total estimate of potential eligible costs (\$70,970,000)**
- **The City’s contribution to the project is anticipated to be \$29,976,668 rather than \$27,000,000.**

Federal Funding (1/3 of eligible costs)	23,366,666
Provincial Funding (1/3 of eligible costs)	23,656,666
<b>Required City Funding</b>	<b>29,976,668</b>
Total Project Budget	<u>77,000,000</u>

- Any additional City funding required will be addressed once agreements with Federal and Provincial funding partners are finalized.

Rail

- The bridge works (Contract 3) cannot commence until the rail shoofly is operational (Contract 2). Contract 3 expects the rail shoofly to be operational on June 27, 2014
- Contract 2 cannot be completed until the crossing signals are decommissioned
- The crossing signals can’t be decommissioned until the agreement with the rail authority is executed. Agreement negotiations are ongoing
- The rail supplied for the shoofly does not meet the rail authority’s specifications. The rail authority will allow the use of the supplied rail provided the City enter an agreement assuming all liability with any event occurring as a result of a rail failure; otherwise the rail authority will supply the rail

Oil Pipelines

- Contract 2, the rail shoofly, cannot be completed until the structural slab is constructed over the oil pipelines

- The structural slab cannot be constructed until the design is approved by the oil and rail authorities and an agreement between the parties is executed
- An alternative alignment has been developed to address Manitoba Conservation and Water Stewardship's concerns with the east-west pipeline design. The oil authority has not approved the alignment
- The pipeline is shallow northeast of the proposed structure and must be relocated. The pipeline easement is located in properties that cannot be expropriated
- Agreement negotiations are ongoing and need to be finalized prior to relocating the pipelines. The pipeline relocations are expected to commence in July, 2014
- Single source negotiations and award for the oil pipeline relocations must be finalized in time for works to commence in July, 2014

#### Property Acquisitions

- There are two properties that cannot be expropriated, include the oil pipeline easement, and negotiations have not progressed. The City has received consent to Enter and Construct from the property owners; one of the agreements expires at the end of April, 2014

#### Groundwater

- A groundwater user suggested construction activities have impacted the groundwater quality but will not provide evidence. The City has indicated it will deny any compensation until evidence is provided. The City is implementing a groundwater monitoring program

### **FINANCIAL ANALYSIS**

#### **Project Funding**

The approved capital and projected budget surplus/deficit are as follows:

<b>Year</b>	<b>Capital Program (in 000's)</b>	<b>Actual + Projected Cashflows</b>	<b>Cumulative Capital Budget Remaining</b>
2012	\$77,000 <sup>1,2,3</sup>	\$957	\$76,043
2013		7,131	68,912
2014		62,663	6,249
2015		6,249	NIL
<b>Total</b>	<b>\$77,000</b>	<b>\$77,000</b>	

(1) Includes Building Canada Fund (Federal Government) funding of up to \$25,000,000

(2) Includes Provincial Government funding of up to \$25,000,000

(3) On November 16, 2011 Council adopted a first charge of \$2 million in 2011 or prior to the adoption of the 2012 Capital Budget to allow for timely award of a Consulting Engineering Assignment to undertake the Preliminary Design Study and to initiate property acquisitions

#### **Financial Analysis**

A summary of the budget to forecast comparison is contained in the Appendix. The comparison does not differentiate between costs that may be eligible or ineligible for Federal and Provincial funding which will be clarified once the agreements have been finalized.

## FINANCIAL IMPACT

**Financial Impact Statement Date:** May 13, 2014

### Project Name:

**PLESSIS ROAD TWINNING AND GRADE SEPARATION AT  
CN RAIL – FINANCIAL STATUS REPORT NO. 6 FOR THE  
PERIOD ENDING MARCH 31, 2014**

### COMMENTS:

As this report is submitted for information purposes only, there is no financial impact associated with this recommendation.

The current forecast expenditures for this project continue to identify that the project will be completed within the \$77 million capital budget adopted by Council. However, the report identifies under the Risks and Risk Mitigation Strategies that estimated ineligible amounts for the agreement with Manitoba are \$6.03 million and the estimated ineligible costs for the agreement with the Government of Canada are \$6.9 million, contingent upon the approval of the extension of the project completion date. The total estimate of ineligible amounts will increase the city's required funding to \$29,976,668, an increase of \$2,976,668 to the previously approved \$27,000,000.

Appendix A of this report does not include any funding that will be received for the railway's share of the project costs which is currently being negotiated.

"Original signed by D. Stewart, CA"  
D. Stewart, CA

## CONSULTATION

In preparing this report there was consultation with: n/a

## SUBMITTED BY

Department: Public Works

Division: Engineering

Prepared by: B.S. Kibbins, P. Eng.

Processed by: J. Curti

Date: May 14, 2014

File No. 12-G-02

Filename: L:\Admin\Reports 2014\Blake Kibbins\Plessis Road Twinning Financial Status Report to December 31 13\Plessis Underpass Financial Status Report #6 Report - April 16 14 doc.doc

Attachment: Appendix: Financial Analysis - Plessis Road Twinning and Grade Separation at CN Rail

**APPENDIX**  
**PLESSIS ROAD TWINNING AND GRADE SEPARATION AT CN RAIL**  
**As of March 31, 2014**

Project Component	Capital Budget			Capital Expenditures Forecast			Surplus (Deficit)	Variance Last Report	Change in Variance
	Council Approved Change			Actual Costs					
				Original	Revised	To March 31, 2014	Remainder of 2014		
1 Professional Services	\$10,000,000	\$10,000,000	\$4,444,070	\$3,856,974	\$1,698,956	\$10,000,000	\$0	\$960,000	(\$960,000)
3 Construction Work	43,500,000	43,500,000	2,840,032	\$45,044,968	4,350,000	52,235,000	(8,735,000)	(8,735,000)	\$0
2 Rail and Utility	15,000,000	15,000,000	137,675	9,127,325	100,000	9,365,000	5,635,000	4,675,000	\$960,000
4 Property	5,000,000	5,000,000	629,405	2,020,595	0	2,650,000	2,350,000	2,350,000	\$0
5 Overheads and Other	3,500,000	3,500,000	765,627	1,884,373	100,000	2,750,000	750,000	750,000	\$0
	\$77,000,000	\$0	\$77,000,000	\$8,816,809	\$61,934,235	\$6,248,956	\$77,000,000	\$0	\$0

**Notes:**

The risk of exceeding the project budget due to the increased construction work forecast has been mitigated by identifying cost reduction opportunities in other project components.

The City's engineering services provider will be responsible for design and construction administration services associated with the oil pipelines which accounts for the changes in the forecasts for Professional Services and Rail and Utility.