

**Minutes – Standing Policy Committee on Finance – March 12, 2021**

**REPORTS**

**Item No. 2                    North District Police Station (NDPS)  
                                  Project ID: 6322003016,  
                                  Quarterly Project Status Report No. 11  
                                  For the Period Ended November 30, 2020**

**STANDING COMMITTEE DECISION:**

The Standing Policy Committee on Finance concurred in the recommendation of the Winnipeg Public Service that the financial status of the North District Police Station (NDPS), as contained in the report, be received as information.

**Minutes – Standing Policy Committee on Finance – March 12, 2021**

DECISION MAKING HISTORY:

Moved by Councillor Rollins,

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

Carried

# ADMINISTRATIVE REPORT

**Title:** North District Police Station (NDPS)  
**Project ID:** 6322003016,  
**Quarterly Project Status Report No. 11**  
**For the Period Ended** November 30, 2020

**Critical Path:** Standing Policy Committee on Finance

## AUTHORIZATION

Author	Department Head	CFO	CAO
B. Erickson	J. Kiernan	C. Kloepfer	M. Ruta, Interim CAO

## EXECUTIVE SUMMARY

Project On Schedule: Yes  No

Project On Adopted Budget: Yes  No

Percent of Schedule Complete:

Percent of Adopted Budget Spent:

On November 26, 2020, Council adopted the Public Service's recommendation to construct the North District Police Station at the Old Ex Grounds site using an optimized development plan, and to increase the project budget to \$25.675 million from the previously approved amount of \$23.379 million. The Winnipeg Police Service Archival and Exhibit Building was also separated out from the North District Police Station project for standalone procurement.

The Public Service has since issued a Request for Proposal to Number Ten Architectural Group for the provision of detailed design and construction services.

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

## RECOMMENDATIONS

That the financial status of the North District Police Station (NDPS), 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 \$24 million (2021) or more report quarterly to the Standing Policy Committee

on Finance. This threshold is adjusted annually for construction inflation as part of the annual Capital Budget approval. The Standing Policy Committee on Finance may also request reporting on any capital project.

**IMPLICATIONS OF THE RECOMMENDATIONS**

No implications.

**HISTORY/DISCUSSION**

See Appendix C – Key Project Events (History)

**Design Stage** (Update from last report)

No update.

Table 1 – 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
N/A	Number Ten Architectural Group	Consultant Services - Stakeholder & Development Site Metrics Analyses	\$ 223,400.00	Nil	28-May 2018	26-Nov 2020	100%
			-	-			
			-	-			
			-	-			
			-	-			
		<b>Total</b>	<b>\$ 223,400.00</b>	<b>\$ -</b>			

**Upcoming Procurements:**

Description	Anticipated Award Date
Number Ten Architectural Group - design & construction services	5-Mar-21

**Schedule** (Update from last report)

As a result of the Council approval on November 26, 2020 the project schedule has been updated and revisions have been made to the Revised/Targeted Completion dates in Table 2.

Table 2 – Milestones

Milestones					
	Deliverable	Original Targeted Completion Date	Revised Targeted Completion Date	Actual Completion Date	Estimated % Complete
1	NPDS Development Site Selection	2017 Q4	2020 Q4	2020 Q4	100%
2	NDPS Development Site Acquisition	2017 Q4	2021 Q2		50%
3	NDPS District Station Building Design	2018 Q2	2021 Q3		75%
4	NDPS Construction (commences 2021 Q4)	2018 Q3	2023 Q1		0%
5	NDPS Facilities Commissioning, Opening	2019 Q4	2023 Q1		0%

**Risk** (Update from last report)

The current anticipated project capital cost of \$25.675 million is at a Class 5 level of estimate. The projected cost must be evaluated at Class 3 and measured against the approved capital budget for project validation.

Risk Mitigation Plan: A Class 3 cost estimate will be achieved upon conclusion of preliminary design.

Table 3 – Significant Risks and Mitigations Strategies

Significant Risks and Mitigation Strategies	
Risk Statement and Explanation	Risk Mitigation Management Plan
<b>Ongoing:</b>	
Project currently costed at Class 5 level of estimate	Class 3 cost estimate to be provided commensurate with consultant services
<b>Mitigated:</b>	
Site selection delayed	Development site approved in 2020 Q4

**Financial** (Update from last report)

Financial forecast has been updated – see Appendix B.

**Funding** (Update from last report)

An increase in the project budget to \$25.675 million from the previously approved \$23.379 million was approved by Council on November 26, 2020.

Table 4 – Project Funding Forecast

<b>Funding Forecast</b>			
<b>Funding Source</b>	<b>Adopted Budget (in millions)</b>	<b>Amended Budget (in millions)</b>	<b>Committed (in millions)</b>
<b>Class of Estimate</b>	<b>Class 5</b>	<b>Class 5</b>	
External Debt	20.0	22.3	-
Cash-to-Capital	3.4	3.4	-
	-	-	-
	-	-	-
<b>Total</b>	<b>\$ 23.4</b>	<b>\$ 25.7</b>	<b>\$ -</b>

**Property Acquisition** (Update from last report)

The Old Ex Grounds is now approved as the development site for the project.

**Stakeholder Engagements/Communications** (Update from last report)

**Stakeholder Assessment**

No stakeholder assessment activities were undertaken in the current reporting period.

**Public Engagement**

No public engagement activities were undertaken in the current reporting period.

**Subsequent Events after Report Period End Date**

In January 2021 the Public Service issued a Request for Proposal to Number Ten Architectural Group, soliciting design and construction services for the North District Police Station project. A consultant assignment award is pending at the time of report preparation. The cost of associated services is to be confirmed upon award.

**FINANCIAL IMPACT**

**Financial Impact Statement**

**Date:** February 24, 2021

**Project Name:**

**North District Police Station (NDPS)**

**COMMENTS:**

As this report is to be received as information only, there are no associated financial implications.

*Mike McGinn Feb. 24, 2021*

Mike McGinn, CPA, CA  
Manager of Finance

## **CONSULTATION**

This Report has been prepared in consultation with:  
WINNIPEG POLICE SERVICE

## **OURWINNIPEG POLICY ALIGNMENT**

01-3 Prosperity Direction 1: Provide efficient and focused civic administration and governance. This report supports demonstration of accountability through service performance measurement and reporting.

## **WINNIPEG CLIMATE ACTION PLAN ALIGNMENT**

Key Directions (Short-Term Implementation):

- 1.3 Implement Low Carbon and Energy Efficient City Facilities and Buildings - p.6
- 5.2 Improve Energy Performance of New Buildings - p.8

## **SUBMITTED BY**

Department: Planning, Property and Development  
Division: Municipal Accommodations  
Prepared by: B. Piniuta  
Date: February 25, 2021

## **Appendices**

Appendix A – Key Project Facts

Appendix B – Financial Forecast

Appendix C – Key Project Events (History)



## Appendix A – Key Project Facts

<b>Appendix A – Key Project Facts</b>	
<b>Project Name</b>	North District Police Station (NDPS)
<b>Business Owner (Department)</b>	Winnipeg Police Service
<b>Project ID</b>	6322003016
<b>Project Sponsor</b>	M. Jack
<b>Department Responsible for Project Delivery</b>	Planning, Property and Development
<b>Consultant Engineer (Company Name)</b>	Number Ten Architectural Group
<b>Adopted Budget</b>	\$23,379,000.00
<b>Class of Estimate (Adopted)</b>	Class 5
<b>Range of Estimate (Adopted)</b>	\$11,689,500 - \$46,758,000
<b>Amended Budget</b>	\$25,675,000.00
<b>Class of Estimate (Amended)</b>	Class 5
<b>Range of Estimate (Amended)</b>	\$12,837,500 - \$51,350,000
<b>Project Scope</b>	
<b>Identify and procure a project development site (project location)</b>	
<b>Construct new civic assets: North District Police Station</b>	
<b>Major Capital Projects Advisory Committee Membership:</b>	
M. Jack, Chief Corp Services Officer (Chair)	
G. Perrier, Deputy Chief - WPS (Business Owner Department Representative)	
J. Kiernan, Director of Planning Property & Development (External Department Representative)	
Chris Klos, Acting Director, Assets and Project Management	

## Appendix B - Financial Forecast - Project ID 6322003016

As at November 30, 2020

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 11/30/2020	Projected Costs			Total Forecasted Costs			
					2021	2022	2023				
Engineering, Design and Other	\$ 460	\$ 790	\$ 1,250	\$ 223	\$ 275	\$ 660	\$ 92	\$ 1,250	\$ -		\$ -
Construction	\$ 18,650	\$ 4,461	\$ 23,111		\$ 2,000	\$ 18,000	\$ 3,111	\$ 23,111	\$ -		\$ -
Land Acquisition	\$ 3,130	\$ (3,130)	\$ -		\$ -	\$ -	\$ -	\$ -	\$ -		\$ -
Internal Financing/Overhead Costs	\$ 486	\$ 75	\$ 561		\$ 52	\$ 437	\$ 72	\$ 561	\$ -		\$ -
Contingency	\$ 653	\$ 100	\$ 753		\$ -	\$ -	\$ 753	\$ 753	\$ -		\$ -
<b>Total Project Budget</b>	<b>\$ 23,379</b>	<b>\$ 2,296</b>	<b>\$ 25,675</b>	<b>\$ 223</b>	<b>\$ 2,327</b>	<b>\$ 19,097</b>	<b>\$ 4,028</b>	<b>\$ 25,675</b>	<b>\$ -</b>		
<b>% of Project Budget Spent</b> (Actual Costs to Date / Adopted & Amended Budget)	1%		1%								

Notes:

- Class 5 cost estimate. A refined Class 3 estimate to be provided upon conclusion of preliminary design.

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

On July 23, 2003, Council approved implementation of the WPS Four District Model. The current WPS six district service delivery model is based on a municipal structure which existed prior to 1971. Contemporary policing issues led the WPS to review this service delivery structure and recommend realignment from six to four districts. The Four District Model encompasses replacement of five existing police stations with three newly constructed police stations within realigned service districts.

On February 21, 2006, Council approved the 2006 Capital Budget and the 2007 to 2011 Five-Year Forecast and recommended, along with the budget, that the Administration identify, investigate, and recommend Private - Public Partnerships (P3's) for the Four District Model project.

East District Police Station (EDPS) located at 1750 Dugald Road was substantially completed in September 2007.

West District Police Station (WDPS) located at 2321 Grant Avenue followed with substantial completion occurring in November 2013.

The Downtown District Station opened as part of the new Police Headquarters facility, 245 Smith Street, in October 2016.

Upon adoption of the 2017 Capital Budget on December 13, 2016, Council approved funding for the North District Police Station (NDPS) in the amount of \$20M for the facility build plus \$3.13M for land assembly, thereby enabling the NDPS project to proceed.

On June 21, 2017, Council ruled automatic referral of the following motion to the Standing Policy Committee on Property and Development, Heritage and Downtown Development:

WHEREAS the city's Old Exhibition Grounds has been used for recreation and leisure purposes for over one hundred years;

AND WHEREAS there is a shortage of sport fields in the Lord Selkirk West Kildonan Community Committee area;

AND WHEREAS whether crime prevention is achieved through sport or other measures, prevention needs to be facilitated to reduce the load on the Winnipeg Police Service;

AND WHEREAS the City of Winnipeg needs to play a role in crime prevention;

AND WHEREAS the North District police station needs to provide the same functionality as the other district stations to the public; 3

AND WHEREAS Winnipeg's perception of what area makes up the North End has grown to encompass West and old Kildonan;

AND WHEREAS Winnipeg Transit's north garage has come to its end of life, and the east rapid transit BRT corridor has a new bus garage in its plans on city owned property;

AND WHEREAS unlike the other district stations, there was no RFP put out to the private sector to identify privately owned property and to build the stations;

AND WHEREAS Property, Planning and Development leases buildings to the Winnipeg Police Service as Municipal Accommodations basically owns the assets under their portfolio of city assets;

THEREFORE BE IT RESOLVED that the Winnipeg Public Service undertake the needed activities to find a different property than the Old Exhibition Grounds for the North district police station.

On July 4, 2017, the Standing Policy Committee on Property and Development, Heritage and Downtown Development recommended to Council that the Council Motion of June 21, 2017 be referred to the Winnipeg Public Service for report back to the Standing Committee within 180 days, and be forwarded to the Executive Policy Committee and Council.

On July 19, 2017, Council concurred in the recommendation of the Standing Policy Committee on Property and Development, Heritage and Downtown Development Committee and directed the Winnipeg Public Service to undertake the needed activities to find a different property than the Old Exhibition Grounds for the North District police station and report back to Standing Committee in 180 days.

Stakeholder assessment and public engagement activities were undertaken by the Public Service during the summer and fall months of 2017. Results were compiled and received as information by SPC on Property and Development, Heritage and Downtown Development on June 8, 2018.

As part of the 2018 Capital Budget planning/development process, the 'Archival and Exhibit Building' project was consolidated with the pre-existing 'North District Police Station' project.

At its February 2, 2018 meeting, the Standing Policy Committee on Property and Development, Heritage and Downtown Development granted an extension of time to its meeting on June 8, 2018, for the Winnipeg Public Service to report back on the June 21, 2017 Council Motion.

At its June 8, 2018 meeting, the Standing Policy Committee on Property and Development, Heritage and Downtown Development concurred with the recommendations of the Public Service:

- That the Real Estate Branch of Planning, Property and Development Department undertake to issue a Request for Proposal (RFP) to solicit private land sale opportunities as a means of identifying a preferred development site for the North District Police Station project.
- That the Public Service perform an evaluation of proposals received to validate the project program of requirements at alternate site(s), prepare associated development cost estimate(s) and assess capital funding requirements, and report back to convey results and provide recommendation as to a preferred project development site.

Per direction received from the Standing Policy Committee on Property and Development, Heritage and Downtown Development on June 8, 2018 a public Request for Proposal (RFP) was issued by the City to solicit private land sale opportunities as a means of identifying a development site for the project. The RFP was posted November 2, 2018 and closed January 31, 2019.

The City received RFP submissions and performed a score-based evaluation for the purpose of identifying shortlisted proponents; this phase is complete. A second phase of evaluation to verify program and technical development conformance at the prospective sites and prepare associated capital cost estimates, was completed in August 2020.

At its November 26, 2020 meeting, Council adopted the Public Service's recommendation (referred by the Executive Policy Committee on November 18, 2020) to construct North District Police Station at the Old Ex Grounds site using an optimized development plan, and to increase the project budget to \$25.675 million from the previously approved \$23.379 million. The Winnipeg Police Service Archival and Exhibit Building was also separated out from the North District Police Station project for standalone procurement.