

Agenda – Standing Policy Committee on Finance – November 27, 2018

REPORTS

Item No. 8 North District Police Station (NDPS) & Archival and Exhibit Building

WINNIPEG PUBLIC SERVICE RECOMMENDATION:

That the financial status of the North District Police Station (NDPS) & Archival and Exhibit Building, as contained in this report, be received as information.

ADMINISTRATIVE REPORT

Title: North District Police Station (NDPS) & Archival and Exhibit Building,
Project ID: 6322003016,
Quarterly Project Status Report No. 2
For the Period Ended 5/31/2018

Critical Path: Standing Policy Committee on Finance

AUTHORIZATION

Author	Department Head	CFO	CAO
B. Erickson	J. Kiernan	M. Ruta	D. McNeil

EXECUTIVE SUMMARY

Project On Schedule: Yes No

Project On Adopted Budget: Yes No

Percent of Schedule Complete:

Percent of Adopted Budget Spent:

The Public Service sought direction on project site procurement matters from Standing Policy Committee on Property and Development, Heritage and Downtown Development on June 8, 2018. The Committee subsequently approved the report recommendations and the Public Service undertook to prepare 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. The RFP is due to be posted in October, 2018 and tentatively close in January, 2019.

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) & Archival and Exhibit Building, 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 \$22 million (2018) 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)

Design of the Police station building is at the 75% completion stage as the station will be utilizing the previously designed and constructed East and West District Police Station designs. Minor design changes concerning the storage of firearms and a security technology update, will be accommodated. Design analysis/confirmation of current Building Code compliance remains pending.

The design of the Archival and Exhibit Building has not been initiated. No site design has been initiated as there is at present no identified development site for the project.

The Public Service is currently soliciting land acquisition opportunities as a means to procure a development site for the project, through a public tender (RFP) process.

The Public Service will perform a feasibility study and cost estimate (Class 5) for inclusion of the proposed Archival and Exhibit Building at the site intended to be utilized for development of the NDPS.

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 10 Architectural Group	Consultant Services - Stakeholder & Development Site Metrics Analyses	\$ 223,400.00	Nil	28-May 2018		0%
			-	-			
			-	-			
			-	-			
			-	-			
		Total	\$ 223,400.00	\$ -			

Upcoming Procurements:

Description	Anticipated Award Date
N/A	

Schedule (Update from last report)

Schedule will be determined once a project location has been selected and approved.

Table 2 – Milestones

	Deliverable	Original Targeted Completion Date	Revised Targeted Completion Date	Actual Completion Date	Estimated % Complete
1	NPDS Development Site Selection	December 2017	July 2019		20%
2	NDPS Development Site Acquisition	December 2017	October 2019		0%
3	NDPS Project Cost/Budget Analysis	June 2018	July 2019		0%
4	NDPS District Station Building Design	June 2018	January 2020		75%
5	NDPS Archival & Exhibit Building Design	June 2018	January 2020		0%
6	NDPS Facilities Construction	September 2019	May 2021		0%
7	NDPS Facilities Commissioning/Opening	October 2019	June 2021		0%

Risk (Update from last report)

A new project risk concerning a potential impact to the WPS evidence and archival materials storage program was identified at the previous project Steering Committee meeting on September 12, 2018. This risk item is documented in the risk register (below).

Table 3 – Significant Risks and Mitigations Strategies

Significant Risks and Mitigation Strategies	
Risk Statement and Explanation	Risk Mitigation Management Plan
New:	
With delay related to site selection, a potential need for interim accommodation of the WPS archival/evidence program exists	Public Service to investigate interim accommodation needs, opportunities and associated funding requirements
Ongoing:	
Development site selection - no development site has been confirmed to date as a project location	RFP process to procure and confirm development site, is in progress
Construction cost inflation - associated with development site confirmation delay	Construction cost/budget analysis to be re-evaluated upon confirming a project development site
With delay related to site selection, it is uncertain if sufficient funding exists	Construction cost/budget analysis to be re-evaluated upon confirming a project development site
Mitigated: N/A	

Financial (Update from last report)

- Expenditures up to reporting period end date total \$485.00 for work associated with Public Engagement activities and consultant services through 2018.
- A contract in the amount of \$223,400.00 was awarded on May 28, 2018 to Number Ten Architectural Group for the provision of consultant services, specifically stakeholder and development site metric analyses; the consultant assignment is in progress.

Funding (Update from last report)

- No update

Table 4 – Project Funding Forecast and Receivable: N/A

Funding Forecast and Receivable			
Funding Source	Adopted Budget (in millions)	Amended Budget (in millions)	Committed (in millions)
Class of Estimate	Class 4		
External Debt	20.0	20.0	-
Cash-to-Capital	3.4	3.4	-
	-	-	-
	-	-	-
Total	\$ 23.4	\$ 23.4	\$ -

Property Acquisition (Update from last report)

Land implications will be determined once a site has been selected and approved.

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

- An Administrative Report concerning development site procurement was approved by SPC-PDHDD on June 8, 2018; Following SPC-PDHDD report approval, the Public Service compiled a project development site Program of Requirements and completed preparation of an RFP to solicit land procurement opportunities.
- Posting of the RFP via a City of Winnipeg - Materials Management public tender in October, 2018 is pending. The RFP is anticipated to close in January, 2019.
- Subsequent to the award of a consultant services contract on May 28, 2018 to Number Ten Architectural Group, associated fees invoiced and reimbursed total \$165,729.69 as of October 15, 2018.

FINANCIAL IMPACT

Financial Impact Statement

Date: October 12, 2018

Project Name:

North District Police Station (NDPS) & Archival and Exhibit Building

COMMENTS:

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

"Original Signed By"

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.

SUBMITTED BY

Department: Planning, Property and Development
Division: Municipal Accommodations
Prepared by: B. Piniuta
Date: October 23, 2018

File: MA2018-170

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Appendices

Appendix A – Key Project Facts
Appendix B – Financial Forecast
Appendix C – Key Project Events (History)

Appendix A – Key Project Facts

Appendix A – Key Project Facts	
Project Name	North District Police Station & Archival and Exhibit Building
Business Owner (Department)	Winnipeg Police Service
Project ID	6322003016
Project Sponsor	M. Jack
Department Responsible for Project Delivery	Planning, Property and Development
Consultant Engineer (Company Name)	Number Ten Architectural Group
Adopted Budget	\$23,380,000.00
Class of Estimate (Adopted)	Class 4
Range of Estimate (Adopted)	
Amended Budget	N/A
Class of Estimate (Amended)	
Range of Estimate (Amended)	
<u>Project Scope</u>	
Identify and procure a project development site (project location)	
Construct new civic assets: North District Police Station; Archival and Exhibit Building	
Construct supporting infrastructure and develop new facilities site	
Major Capital Projects Advisory Committee Membership:	
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)	
G. Chartier, Chief Asset and Project Management Officer	

Appendix B – Financial Forecast

Due to site selection issues it is too early to provide a financial forecast on the project.

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;

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 so as 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.