May 20, 2014

Public Service to recommend Capital Integration Project

Project summarized as "investing in today and tomorrow"

Winnipeg, MB - In a report published today, the Winnipeg Public Service is recommending that Council approve the proposed Capital Integration Project, a combination of infrastructure improvements representing the largest single project in the city's history.

This project is made up of significant infrastructure components in the southwest quadrant of the city: completion of Stage 2 of the Southwest Transitway, renewal and expansion of the Pembina Underpass, and sewer/land drainage upgrades in the Jubilee area to reduce the potential for flooding in the underpass. The sewer/drainage improvements would also coordinate with the Cockburn-Calrossie sewer upgrade project that is currently underway.

Integration of these infrastructure improvements would accommodate anticipated, further population growth in southwest Winnipeg that will lead to an estimated 50 per cent traffic increase on Pembina Highway by 2031. Proposed improvements, which are consistent with the Council-approved Transportation Master Plan (2011), would better accommodate modes of choice (cars, trucks, buses and active transportation) in a more sustainable way, right from project completion and well into the future.

"At peak times, Pembina Highway already runs at its capacity and won't accommodate our growing population. This project proposal builds for today and for tomorrow in a planned and sustainable way that will efficiently move all commuters," said Dave Wardrop, Director of Winnipeg Transit. "These improvements are essential to the planned growth and well-being of the southwest quadrant of our city, and combining them will save taxpayers money, while completing the work sooner."

Without integration, these infrastructure improvements would result in significant throwaway costs and at least two more years of traffic disruption on Pembina Highway: the railway line over at the Jubilee Underpass would need to be relocated both during construction of the expanded underpass, and again during construction of Stage 2 of the Southwest Transitway.

Development of the Capital Integration Project is being proposed as a P3 (Private-Public Partnership). The City of Winnipeg is at the forefront in the use of P3s, having used this innovative funding model in the successful completion of the Charleswood Parkway Extension (1990s), the Chief Peguis Trail Extension (completed in 2012, one year ahead of schedule), and the Disraeli Bridges Project (the City's largest and most complex capital project, also completed in 2012).

P3s protect taxpayers by transferring risks of construction and long-term maintenance costs to the builder over the term of the P3 agreement. At the end of the 30-year term, the infrastructure transferred over to the City in "as new" condition.

The administrative <u>report</u> will be considered by the Standing Policy Committee on Infrastructure Renewal and Public Works at its meeting on June 3, 2014.