

PUBLIC WORKS - GENERAL CAPITAL FUND

Project Name: **Regional and Local Street Renewal**

Standing Policy: Public Works
Committee:

Department: Public Works
Project: 1804000123

Service: Roadway Construction and Maintenance
OurWinnipeg: Leadership and Good Governance

AUTHORIZATION	Previous Budgets	2023 Estimate	FORECAST					Five-Year Forecast Total	Six-Year Total
			2024	2025	2026	2027	2028		
Project Costs (\$000's)	N/A *	155,820	138,774	160,460	165,113	177,178	180,079	821,604	977,424
Financed by:									
Frontage Levy		15,000	17,800	17,800	17,800	17,800	17,800	89,000	104,000
Local Street Renewal Reserve		62,457	73,857	85,757	98,257	110,840	123,990	492,701	555,158
Regional Street Renewal Reserve		48,688	46,917	53,638	48,856	48,338	38,089	235,838	284,526
Canada Community-Building Fund		1,885		3,065				3,065	4,950
Federal New Building Canada Fund (Accelerated Regional)		13,000						-	13,000
Province of Manitoba Accelerated Regional Roads		9,800						-	9,800
Funding from Other Municipalities		850						-	850
Future Services Account		200	200	200	200	200	200	1,000	1,200
Prior Years Surplus		3,940						-	3,940

CASH FLOW	2023	2024	2025	2026	2027	2028	Beyond 2028	Total
Project Costs (\$000's)	132,447	141,331	157,207	164,415	175,369	179,644	27,011	977,424
Financed by:								
Frontage Levy	12,750	17,380	17,800	17,800	17,800	17,800	2,670	104,000
Local Street Renewal Reserve	53,088	72,147	83,972	96,382	108,953	122,018	18,598	555,158
Regional Street Renewal Reserve	41,385	47,183	52,630	49,573	48,416	39,626	5,713	284,526
Canada Community-Building Fund	1,602	283	2,605	460				4,950
Federal New Building Canada Fund (Accelerated Regional)	11,050	1,950						13,000
Province of Manitoba Accelerated Regional Roads	8,330	1,470						9,800
Funding from Other Municipalities	723	127						850
Future Services Account	170	200	200	200	200	200	30	1,200
Prior Years Surplus	3,349	591						3,940

NET OPERATING IMPACT (\$000's)	2023	2024	2025	2026	2027	2028
Operating costs						
Debt and finance charges						
Transfer to General Capital Fund						
Total Direct Costs	-	-	-	-	-	-
Less: Incremental Revenue/Recovery	2,415	2,950	3,292	3,479	3,707	3,793
Net Cost/(Benefit)	(2,415)	(2,950)	(3,292)	(3,479)	(3,707)	(3,793)
Incremental Full Time Equivalent Positions	-	-	-	-	-	-

Class Estimate: Not applicable, as this is a program

Projects in 2023 will not proceed to construction until a class 3 estimate is obtained.

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Regional and Local Street Renewal (continued):

Any surplus funds will automatically be transferred to the following year's Regional and Local Street Renewal Program Budget.

Funding includes \$3.94 million rebudgeted from previously approved capital program budget - see Appendix 4.

On May 14, 2008, Council concurred in the recommendation that a policy be adopted to incorporate Active Transportation facilities into any reconstruction or rehabilitation required on any infrastructure identified as an Active Transportation facility in the Proposed Active Transportation Network. On July 15, 2015, Council adopted the Pedestrian and Cycling Strategies as the long range pedestrian and cycling transportation policy for the City of Winnipeg. Depending on the proposed street renewal treatment and the planning and priority status of the proposed sidewalk or pedestrian and/or cycling facility, the Regional and Local Street Renewal program may include new sidewalks or implement the intention of the Winnipeg Pedestrian and Cycling Strategies.

On December 15, 2021, Council directed that any surplus funds from Active Transportation (AT) infrastructure identified as part of the report described in Recommendation 2.J. of the 2022 adopted budget be transferred and dedicated to the following years' AT capital program.

* N/A - No amounts have been included in the "Previous Budgets" due to this program's on-going nature.

Regional Street Renewal Program

The Regional Street Renewal program includes the renewal and reconstruction of the City's regional streets, sidewalks and recreational walkways/paths, as well as incorporating pedestrian and cycling facilities on regional street renewal projects where identified in the Winnipeg Pedestrian and Cycling Strategies. The program also funds the condition rating of regional streets. The purpose of this program is to maintain the level of service, structural integrity, and rideability of the transportation infrastructure network.

All Regional Street Renewal projects have a warranty period after substantial completion and/or in-service date for which costs may be incurred by the City. The Director of Public Works is authorized to establish projects to a maximum of \$100,000 each to charge costs associated with warranty work should the related Regional Streets project be closed. The capital budget for the new project will be allocated from other surpluses within the program.

Any new projects using surplus funds in the 2023 Regional Street Renewal Program shall be approved by the Standing Policy Committee on Public Works.

A Regional Street Renewal Reserve (RSRR) was established in 2014 to increase investment in regional streets. On March 20, 2019, Council approved a change to the RSRR to include repair, renewal, and replacement of bridges. A separate 1% property tax increase planned until 2022 and 0.3% thereafter, will continually fund this reserve each year to ensure a dedicated funding stream for regional streets.

Use of the Regional Street Renewal Reserve for purposes other than regional street, sidewalk or bridge renewals requires approval of 2/3 of City Council.

On March 22, 2018, the City received approval in principle from the Province and on September 4, 2018, received approval in principle from the Federal Government indicating the federal and provincial contributions towards the Accelerated Regional Renewals Application will be in the order of \$100 million from each over 5 years (2019 to 2023).

On March 29, 2019, the City of Winnipeg and the Province of Manitoba executed the "Accelerated Regional Street Renewal Contribution Agreement", and on September 23, 2019, the City of Winnipeg and Canada executed the "Agreement for the City of Winnipeg Accelerated Regional Street Renewal Project". These agreements commit all parties to the funding arrangements as indicated in the Accelerated Regional Streets Renewal Program section of the Regional and Local Streets Program herein.

On December 15, 2021, Council authorized first charges in the amount of:

- \$37.4 million on 2023 accelerated streets in 2022 or prior to the adoption of the 2023 capital budget to facilitate timely delivery of all 2023 accelerated regional street projects.
- \$31.6 million on 2023 non-accelerated streets in 2022 or prior to the adoption of the 2023 capital budget to facilitate timely delivery of the projects.

Refer to Attachment 1 of the 2022 Budget Volume 2 - Council Recommendations for specific locations.

With adoption of the 2023 Capital Budget, Council authorizes first charges in the amount of \$48.1 million for 2024 non-accelerated streets in 2023 or prior to the adoption of the 2024 capital budget to facilitate timely delivery of the projects. Refer to Attachment 1 of the 2023 Budget Volume 2 - Council Recommendations for specific locations.

Regional and Local Street Renewal (continued):

Local Street Renewal Program

Local Streets are all non-regional streets including residential streets, collector streets, industrial streets, and park streets. The Local Street Renewal program includes the renewal and reconstruction of the City's local streets, sidewalks, and alleys, as well as constructing new sidewalks on local street renewal projects where identified in the Winnipeg Pedestrian and Cycling Strategies or where the terms for New Non-Regional Sidewalks under the Pedestrian and Cycling Program are met. The program also funds the condition rating of streets, sidewalks, alleys and recreation walkways/paths. The purpose of this program is to maintain the level of service, structural integrity, and rideability of the transportation infrastructure network.

On November 20, 2013, Council amended the Local Improvement process by creating a pilot program for six years (2014-2019) whereby the City of Winnipeg will finance asphalt paving of granular lanes as local improvements to the maximum of 50% of the cost of the improvement; and approved that the \$1 million Granular Lane Fund be used as a funding source for the City's share of the amended Local Improvement Program. On July 19th, 2018, the City of Winnipeg City Council approved a six year extension to this program (2020-2024). On December 15, 2021, Council extended the program to 2027. The approval of the annual budget will extend the program to the five-year capital forecast. The Granular Lane Improvement Program's annual \$1.35 million includes \$350,000 per year that is dedicated to the lane pulvmixing program.

On July 9, 2019, the City received notification from the Province of Manitoba of a one-time top-up transfer of \$44.09 million in Federal Gas Tax (Canada Community-Building Fund) funds. \$22.5 million will be allocated to 2019 projects, as approved by Council April 25, 2019. \$20 million will be allocated to Local Street Renewals in 2020 and \$1.59 million will be allocated to the Pedestrian and Cycling Program in 2020. During the 2020 budget process federal gas tax funding (Canada Community-Building Fund) was replaced with external debt to allow for reallocation to other capital projects. The City will borrow \$20.0 million in 2020 to offset this reallocation and the Local Street Renewal Reserve will pay principal and interest charges on this new debt.

All Local Street Renewal projects have a warranty period after substantial completion and/or in-service date for which costs may be incurred by the City. The Director of Public Works is authorized to establish projects to a maximum of \$100,000 each to charge costs associated with warranty work should the related Local Streets project be closed. The capital budget for the new project will be allocated from other surpluses within the program.

Any new projects using surplus funds in the 2023 Local Street Renewal Program shall be approved by the Standing Policy Committee on Public Works.

A Local Street Renewal Reserve (LSRR) was established in 2013 to increase investment in local streets, lanes and sidewalks. On March 20, 2019, Council approved a change to the LSRR to include the repair, renewal, and replacement of bridges. A separate 1% property tax increase planned until 2022 and 1.7% thereafter, will continually fund this reserve each year to ensure a dedicated funding stream for local streets.

Use of the Local Street Renewal Reserve for purposes other than local streets, alleys, sidewalk or bridge renewals requires approval of 2/3 of City Council.

On December 15, 2021, Council authorized first charges in the amount of \$7.5 million on 2023 local street renewal projects in 2022 or prior to the adoption of the 2023 capital budget to facilitate timely delivery of the projects.

As per recommendations B.1 and B.2 of the Road Construction Working Group Report, approved by Council on September 26, 2019, specific local streets are included in the program details. See next pages for program details.

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Regional and Local Street Renewal (continued):

REGIONAL STREET RENEWAL PROGRAM Authorization (\$000's)	2023	2024	2025	2026	2027	2028	Six-Year Total
ACCELERATED REGIONAL STREET RENEWAL (NBCF APPLICATION):							
Funding							
Federal New Building Canada Fund (NBCF)	13,000						13,000
Province of Manitoba Accelerated Regional Roads	9,800						9,800
Regional Street Renewal Reserve	13,000						13,000
Regional Street Renewal Reserve Ineligibles	1,600						1,600
Total Accelerated Regional Street Renewal Funding	37,400	-	-	-	-	-	37,400
Regional Accelerated Street Renewals	37,400						37,400
Total Accelerated Regional Street Renewal Program	37,400	-	-	-	-	-	37,400
NON-ACCELERATED REGIONAL STREET RENEWAL:							
Funding							
Regional Street Renewal Reserve	34,088	46,917	53,638	48,856	48,338	38,089	269,926
Prior Years Surplus	3,940						3,940
Funding from Other Municipalities	850						850
Frontage Levy	9,000	14,800	14,800	14,800	14,800	14,800	83,000
Total Non-accelerated Regional Street Renewal Funding	47,878	61,717	68,438	63,656	63,138	52,889	357,716
Regional Non-Accelerated Street Renewals	41,088	59,167	65,888	61,106	59,988	49,739	336,976
Pavement Management System	100	100	100	100	100	100	600
Regional Accessibility Improvements:							
Regional Sidewalk and Curb Renewals	840	600	600	600	1,200	1,200	5,040
Regional Paving of Granular Shoulders	250	250	250	250	250	250	1,500
Downtown Streets:							
Sidewalk, Curb, and Street Renewals	1,100	800				1,500	3,400
Portage Place Revitalization Project	400	700	1,500	1,500	1,500		5,600
Regional Provisional Maintenance:							
Kenaston Blvd - Ness to Taylor	100	100	100	100	100	100	600
Active Transportation Infrastructure:							
Keewatin St - Burrows Ave to Gallagher Ave W	4,000						4,000
Total Non-accelerated Regional Street Renewal Program	47,878	61,717	68,438	63,656	63,138	52,889	357,716
Total Accelerated and Non-accelerated Regional Street Renewal Program	85,278	61,717	68,438	63,656	63,138	52,889	395,116