

CONSIDERATION OF REPORT OF THE
COMMITTEE ON WORKS AND OPERATIONS

The Executive Policy Committee has had before it the Report of the Committee on Works and Operations, dated December 16th, 1976, has concurred in the recommendations contained therein and submits same to Council for favourable consideration.

On motion of Councillor Mercier the Report of the Committee on Works and Operations, dated December 16th, 1976, was considered clause by clause.

West Committee Room,
Council Building,
Winnipeg, December 16, 1976

His Worship the Mayor and Councillors:
Your Committee on Works and Operations submits the following report and recommends:

Portage Avenue and Main Street Parking
Garage, and Portage Avenue and Main
Street Underground Pedestrian Concourse.
Files FI-2.1.2, SC-3.2 & SC-1

113 - 1. The City of Winnipeg Consultants for the Portage Avenue, and Main Street Parking Garage, and the Portage Avenue and Main Street Underground Pedestrian Concourse projects, Smith Carter Partners, reviewed the tenders received on the Concourse and Parking Structure for Portage and Main. Smith Carter Partners made an extensive analysis of all the tenders received, and applied all combinations of tenders, and in all cases were satisfied that V. K. Mason's tender for the combined Concourse and Parking Structure award was consistently low. They state, "We therefore recommend that the low combined tender of V. K. Mason Construction Ltd. be formally accepted for both the

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Portage and Main Underground Concourse and the Parking Structure, and because each project has different subcontractors, that two contracts be prepared once the final authority to proceed into construction is given." We concur with Smith Carter Partners in their recommendation.

The difference between previously approved Capital Estimates and now known construction costs make it necessary to approve an additional appropriation in the amount of \$350,000 chargeable to current operations.

In reviewing the conceptual plans of the Pedestrian Concourse at Portage and Main, the Streets and Transportation division suggested that in order to reduce the deficiencies inherent in the narrow walk clearance between the proposed entrance to the Pedestrian Concourse and the existing buildings on the north side of Portage Avenue, the sidewalk could be widened by narrowing the northern most lane of the westbound roadway of Portage Avenue. This westbound roadway is effectively fed by only two lanes of traffic off of Main Street north, and two lanes of traffic off of Portage Avenue east, at each appropriate phasing of the signal at the intersection. The final design of the Concourse has incorporated this feature which will not compromise the traffic capacity of the intersection.

The terms and conditions of the agreements with the private property owners on the four corners as executed by the various parties, are in accordance with the capital considerations of the Council Order dated March 5th, 1975, and meets the requirements of the administration from a management and operational standpoint.

The proposed Trizec development in the block bounded by Portage Avenue, Main Street, Graham Avenue, and Fort Street, will require private approaches on Main Street to serve the complex. Section 7 of Schedule 1 of the Private Approaches By-law states that no private approaches shall be constructed or installed on Main Street between the Red River and Sutherland Avenue. The By-law must, therefore, be amended to permit the installation of private approaches on Main Street between Graham Avenue and Portage Avenue.

In January of 1974, the City entered into an air-rights lease agreement with Trizec Corporation respecting commercial development above the planned City of Winnipeg Parking Garage at Portage Avenue and Main Street.

Further, a decision was made to provide an underground pedestrian link at Portage Avenue and Main Street at a cost estimated, in 1975, of 4.3 million dollars, which would include participation by the private property owners on the four corners in the amount of \$1,450,000.00.

These two projects were developed concurrently, and the Underground Pedestrian Concourse influenced the final design elevations of the garage in order that the Concourse grades at the intersection and the grades of the Concourse in the commercial development would properly integrate.

All private property owners on the four corners have executed their agreements and have committed in total the \$1,450,000 required by Council.

With respect to the Trizec and Scotia (S/W) corner, participation in the Concourse is contingent upon a contract being let for the construction of the Parking Garage as required in the air-rights lease agreement. If the Parking Garage is not proceeded with, the Concourse agreement in respect to the S/W corner becomes void.

Further, the approved design of the Parking Garage was based upon the underground connection at Portage Avenue and Main Street. If this Underground Concourse does not go forward, then the Parking Garage would, of necessity, need to be reviewed and possibly redesigned in light of the change of the pedestrian flow.

It has, therefore, been developed that the two projects are virtually indivisible, and a decision should be made to proceed with these projects together as designed and tendered.

In tendering these two projects, a number of items were identified at separate prices in order that they may be added or deleted after consideration of the value with respect to the cost. These items were intensively scrutinized, and it was concluded that the only item that could be deleted without serious effect to the utility of the projects, was an amount of \$132,000 included as a

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separate price for the treatment of the concrete floors in the Parking Garage. It was deemed that no other items were dispensable.

Following is a review of the financial considerations with respect to these two projects:

PORTAGE AND MAIN PARKING GARAGE AND PORTAGE AND MAIN CONCOURSE

	<u>GARAGE</u>		<u>CONCOURSE</u>
Authorized Capital	9,509,000		4,300,000 *
Contract V.K. Mason	7,037,136		5,339,364
Future Costs	137,000		-
Consultants Fees	444,000	City Utility Work	465,000
Contingency Allowance	100,000	Other Costs	414,900
			193,900
			100,000
Total	7,718,136		6,513,154
Deduct (Trizec Direct Costs)	55,127	Contribution by 4 Corners Direct Cost TD and B of M	1,450,000
			25,500
Capital Required	7,663,009		5,037,654
Total Capital Requirements			12,700,663
Garage Authorization	9,509,000		
Concourse Authorization City Participation	2,850,000		12,359,000
Shortfall			341,663
Additional Funds Requested			(350,000)

It is noted that the estimate for the parking garage was formulated in 1975, with allowance projected for possible inflation.

The Concourse was difficult to estimate because of its uncommon nature, the utility problems, etc. In addition, the project was subsequently modified in order to provide for some commercial space within the Concourse in order to create "life" which is so necessary to the attractive functioning of a Pedestrian Concourse.

It is considered that the climate for tendering at this time was excellent, as evidenced by the competitiveness of the bids and the number of tenders.

As it has been noted, the changes in width to the north side of Portage Avenue at the intersection of Main Street improves the Concourse arrangement, the sidewalk situation, and does not reduce the effectiveness of the west-bound roadway of Portage Avenue.

On November 22nd, 1976, a change to the Private Approaches By-law was submitted by the Committee on Works and Operations for favourable consideration allowing for private approach access on Main Street between Graham Avenue and Portage Avenue in order to accommodate the requirement of Trizec for a hotel parking ramp off Main Street to the parking garage.

A Notice was prepared and inserted in each of two successive weeks in the two local leading daily newspapers to amend the said By-law accordingly. The date fixed in the Notice for the meeting under Section 3 (3) of said By-law was Monday, November 8th, 1976. There were no objections at the meeting, and the City Solicitor was requested to prepare the necessary By-law for submission to

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Council. Council laid this matter over, and it is, therefore, resubmitted as a requirement of the total development undertaken under the agreement.

Discussions and negotiations with the private property owners on the four corners to participate in the development of the Pedestrian Concourse on Portage Avenue and Main Street finally resulted in the execution of the agreements recommended to Council. The Council Order of March, 1975 approving the capital estimates was predicated on a cost estimate of \$4,300,000. In each of the agreements the following clause is contained:

"In the event the City receives and accepts a tender for the construction of the City work, at a price not exceeding Four Million Three Hundred Thousand Dollars (\$4,300,000) or such greater amount approved by the City and receives from the Owners and other grants or commitments for grants in an aggregate amount of One Million Four Hundred and Fifty Thousand Dollars (\$1,450,000), the City shall, within six months of the execution of this agreement and similar agreements concerning the other corners of the intersection of Portage Avenue and Main Street, at its own expense commence and expeditiously proceed with construction of the City work, strictly in accordance with the plans and shall complete same in a good and workmanlike manner. In the event the City does not receive and accept such a tender or does not receive said grants, the City shall not be obliged to construct the City Work".

These contributions are committed as follows:

Royal Bank	\$ 175,000
Scotia	175,000
Bank of Montreal	350,000
Richardsons	350,000
Toronto-Dominion	225,000
Marathon	175,000
	<u>\$1,450,000</u>

The requirement under The City of Winnipeg Act for an Environmental Impact Study for the two projects has already been complied with.

The Streets and Transportation Division have for a number of years scheduled the complete reconstruction of pavement in the intersection of Portage Avenue and Main Street. The schedule has been delayed pending a decision on the construction of the Concourse. Upon completion of the Concourse, the Streets and Transportation Division will recommend the reconstruction of the intersection in the 1978 Capital Program. Also upon completion of the Concourse, all surface pedestrian traffic across the intersection of Portage Avenue and Main Street will be prohibited.

In order not to short-circuit the Concourse, the pertinent agreements provide as follows:

"The City agrees that it will not consent to any application for the construction of a pedestrian crossing over or under any street, avenue or other roadway within that portion of the City bounded by Graham Avenue (and its easterly extension) on the South, Fort Street (and its northerly extension) on the West, Lombard Avenue (and its westerly extension) on the North, and Westbrook Street on the East unless the applicant for such a crossing provides a direct connection between the proposed crossing and the Concourse."

Under the Air-Rights Lease Agreement with Trizec, the City is to provide a parking structure including all the structural support and facilities necessary to the functioning, support, and construction of their improvement. The City shall recover these costs at 7% per annum for the life of the agreement, i.e. 99 years. These costs have been identified, subject to minor adjustments, to the total bearing upon contingent costs incurred during construction, \$1,291,279. In addition, the City recovers 7% of one half of the City's acquisition and demolition. The cost of acquisition and demolition is to be \$4,160,000.

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The construction of the Pedestrian Concourse of Portage and Main is a keystone to the opportunity for totally enclosed pedestrian system for downtown Winnipeg: underground from Portage Avenue and Main Street to the City Hall; and + 16 from Portage Avenue and Main Street west and south to Eatons, the Library, the Convention Centre, the Bay and the Woodsworth Building on Broadway.

To date the City has committed approximately \$4,160,000 for land acquisition and demolition, and approximately \$325,000 for design fees, for the parking garage. The City has also committed or expended for design fees and legal fees for the Concourse project in the amount of approximately \$320,000.

The tenders as reported lapse December 26th, 1976.

The tenders for the Parking Structure included an extra cost of \$19,000 payable to the contractor for an extension of the lapse date to January 25th, 1976.

Copy of Tabulation of Tenders is attached for the information of Council.

Your Committee therefore recommends:

1. That contracts be awarded to V. K. Mason Construction Ltd. for combined amount of \$12,376,500 consisting of \$7,037,136 for the Portage and Main Parking Garage and an amount of \$5,339,364 for the Portage and Main Concourse.
2. That the identified surplus funds in the amount of \$1,846,000 be transferred from the approved capital appropriation for the Portage and Main Parking Garage to the Portage and Main Concourse project. In addition, \$350,000 be approved as an additional appropriation chargeable to current operations.
3. That the north sidewalk on Portage Avenue immediately west of Main Street, be widened by 7 feet, resulting in the narrowing of the westbound roadway of Portage Avenue, immediately west of Main Street by the same 7 feet in order to conform with the desirable design condition for the concourse and the sidewalk
4. That the attached Agreements with the private owners on the four corners of Portage and Main be executed by the Proper Officers of the City of Winnipeg.
5. That draft by-law to amend By-law No. 329/73, being the Private Approaches By-law, to delete that portion of Main Street between Graham Avenue and Portage Avenue from Schedule 1 of said By-law in order to accommodate the future Trizec development, be given three readings.

Moved by Councillor Mercier,

Adoption of the clause.

Moved by Councillor Bockstael,

Seconded by Councillor Kaufman,

That this single recommendation to approve the contracts for both the parking garage and the Underground Pedestrian Concourse in a combined amount of \$12,376,500.00 be referred back to the Executive Policy Committee with instructions to bring back a separate and distinct recommendation for

a) the Trizec Parking Garage;

b) the proposed Pedestrian Concourse,

for separate consideration by this Council.

Moved by Councillor Skowron,

That Council now go into Committee of the Whole.

The motion was put.

Councillor Kaufman called for the Yeas and Nays which were as

follows:

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Yea: Councillors Bockstael, Chornopyski, Corrin, Gerrie, Johannson, Kaufman, Lazarenko, Reese, Kozlowski, Skowron, Steen, Wade, Westbury, Johnson and Zuken. 15.

Nay: Councillors Dixon, Ducharme, Eliason, Ernst, Galanchuk, Hallonquist, Hudson, Ireton, Jorowski, Leech, Mercier, Nordman, O'Shaughnessy, Parkhill, Penner, Pierce, Rebchuk, Rizzuto, Ross, Ruta, Stanes, Stapon, Filmon, Smith, Wong, Yanofsky and Wolfe. 27.

and the motion was declared lost.

His Worship the Mayor called Councillor Wolfe to the Chair.

His Worship the Mayor resumed the Chair.

Moved by Councillor Kaufman,

That the question be put on Councillor Bockstael's motion to refer.

Carried.

The motion to refer was put.

The Chair called for the Yeas and Nays which were as follows:

Yea: Councillors Bockstael, Chornopyski, Corrin, Eliason, Gerrie, Johannson, Kaufman, Klym, Lazarenko, Rebchuk, Reese, Rizzuto, Kozlowski, Skowron, Steen, Wade, Johnson and Zuken. 18.

Nay: Councillors Dixon, Ducharme, Ernst, Hallonquist, Hudson, Ireton, Jorowski, Norrie, Leech, Mercier, Nordman, O'Shaughnessy, Parkhill, Penner, Pierce, Stanes, Stapon, Filmon, Smith, Westbury, Wong, Yanofsky and Wolfe. 23.

and the motion to refer was declared lost.

Moved by Councillor Kaufman,

Seconded by Councillor Bockstael,

That Clause 1 be referred back with instructions to amend the agreements so as to delete from them any obligation by the City with respect to future decisions about pedestrian movements.

Moved by Councillor Ernst,

That the question be put on Councillor Kaufman's motion to refer.

Carried.

The motion to refer was put.

The Chair called for the Yeas and Nays which were as follows:

Yea: Councillors Bockstael, Chornopyski, Corrin, Gerrie, Johannson, Kaufman, Klym, Lazarenko, Rebchuk, Reese, Rizzuto, Kozlowski, Skowron, Steen, Wade, Westbury, Johnson and Zuken. 18.

Nay: Councillors Dixon, Ducharme, Eliason, Ernst, Galanchuk, Hallonquist, Ireton, Jorowski, Norrie, Leech, Mercier, Nordman, O'Shaughnessy, Parkhill, Penner, Pierce, Ross, Stanes, Stapon, Filmon, Smith, Wong, Yanofsky and Wolfe. 24.

and the motion to refer was declared lost.

Moved by Councillor Stapon,

That the question be now put.

Councillor Kaufman called for the Yeas and Nays which were as follows:

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Yea: Councillors Dixon, Ducharme, Ernst, Galanchuk, Hallonquist, Ireton, Jorowski, Norrie, Leech, Mercier, Nordman, O'Shaughnessy, Parkhill, Penner, Pierce, Ross, Stanes, Stapon, Smith, Yanofsky, Wolfe and Mayor Juba. 22.

Nay: Councillors Bockstael, Chornopyski, Corrin, Eliason, Gerrie, Hudson, Johannson, Kaufman, Klym, Lazarenko, Rebchuk, Reese, Rizzuto, Kozlowski, Skowron, Steen, Filmon, Wade, Westbury, Johnson and Zuken. 21.

and the motion was declared carried.

The motion for the adoption of the clause was put.

Councillor Zuken called for the Yeas and Nays which were as follows:

Yea: Councillors Dixon, Ducharme, Ernst, Galanchuk, Hallonquist, Ireton, Jorowski, Norrie, Leech, Mercier, Nordman, O'Shaughnessy, Parkhill, Penner, Pierce, Ross, Stanes, Stapon, Filmon, Smith, Westbury, Wong, Yanofsky and Wolfe. 24.

Nay: Councillors Bockstael, Chornopyski, Corrin, Eliason, Gerrie, Hudson, Johannson, Kaufman, Klym, Lazarenko, Rebchuk, Reese, Rizzuto, Kozlowski, Skowron, Steen, Wade, Johnson and Zuken. 19.

and the motion for the adoption of the clause was declared carried.

(Note:- See Minute No. 315 for attachment.)

315 - Tabulation referred to in Clause 1 of the Report of the Committee on Works and Operations, dated December 16th, 1976.

TABULATION OF TENDERS

Dec. 14, 1976

PORTAGE AND MAIN CONCOURSE & PARKING STRUCTURE

<u>CONTRACTOR</u>	<u>CONCOURSE</u>	<u>GARAGE</u>	<u>COMBINED</u>
Ellis Don Ltd.	-	\$7,299,606.	-
Collavino Brothers Ltd.	\$6,332,000.	\$7,712,000.	\$13,944,000.
Eastern Construction	-	\$7,314,000.	-
Peter Leitch Construction	\$5,694,000.	-	-
Dineen Construction	\$5,347,000.	-	-
V. K. Mason Construction (combined bid breakdown	\$5,354,532. \$5,313,864.	\$7,183,636. \$7,169,136.)	\$12,483,000.
Poole Construction	\$5,676,315.	\$7,191,986.	-
Bird Construction	Management Proposal		\$14,000,000.

Recommend Low Tender Adjusted As Follows:

	<u>CONCOURSE</u>	<u>GARAGE</u>	<u>COMBINED</u>
V. K. Mason Combined Bid	\$5,313,864.	\$7,169,136.	-
Less Floor Treatment	-	132,000.	-
Plus Separate Prices			
T D & B of M	\$ 25,500.	-	
Recommend Award	<u>\$5,339,364.</u>	<u>\$7,037,136.</u>	<u>\$12,376,500.</u>