

DISRAELI BRIDGES REHABILITATION PROJECT
JUNE 18, 2008
QUESTIONS/ANSWER SESSION

The following are questions and answers generated at the Information Meeting for the Disraeli Bridges Rehabilitation Project. Note that for some questions, additional information has been gathered and is included below.

- Q1 Some of the clearances under the CPR Overpass seem low. Will clearances have to be upgraded to current standards thus raising bridge profile?
- A1 The vertical clearances at the CPR tracks, Higgins and Sutherland meet current standards. Any reduction in railway clearance during construction would have to be approved by CPR, however, there is very little additional clearance beyond their required clearance envelope. Subsequent to the meeting, it was confirmed that there is in excess of 5 m clearance at Higgins and Sutherland. Reduction in clearance during construction will be subject to the City's approval.
- Q2 Will there be any preference given to local/design or construction component.
- A2 Absolutely not, it's open to everyone, the best qualified proponent will be selected. I think we would be breaking some laws if we did such as the Agreement on Internal trade.
- Q3 Could you please elaborate on evaluation criteria to be applied at the RFP. Is this to be lowest net present value wins if minimal technical standards met or are there any other criteria for selection of preferred bidder?
- A3 We're still in the process of developing the evaluation criteria but there will be a number of issues that will be taken into consideration, and one that will probably play a big part in the evaluation is the closure, schedule show somewhere between 12 – 16 months. And the public consultation has shown that that is a significant issue, so that will be a consideration and also as I said the best mix technical and commercial benefit will win. I have to be reasonably vague because we haven't developed the RFP. We do have the criteria of the closure to address
- Q4 What are the minimum navigation requirements?
- A4 The current navigation clearance was determined after the meeting to be 10.97 m. However, the adjacent bridges immediately upstream and downstream have 6.6 m clearance. In addition, recent bridges built in the City all have been designed with a 6.6 m clearance. Changes to the navigation clearance at Disraeli will be subject to the approval of Transport

Canada. Approvals for any permanent changes in the navigation clearance will be obtained by the City. Approvals for temporary reductions to facilitate construction will be the responsibility of the Proponent.

Q5 Is traffic management going to be included in the P3?

A5 No, the consultants will handle it. Note that subsequent to the meeting responsibility for traffic management is being reviewed and will be clarified in the RFQ risk matrix.

Q6 Are the foundations good for 62.5 and CL 625 loadings?

A6 Yes.

Q7 What is the rationalization of NO honorarium?

A7 We've consulted with people in the industry, we've found that it's not much of a carrot, its low compared to your cost.
Break payment – concern is on municipalities changing there minds.
Rationale –. Not in favour of honorariums. Note that subsequent to the meeting the honorarium is being reconsidered.

Q8 What is the status of Federal and environmental permits (DFO permits)?

A8 Approvals have not been obtained yet.

Q9 Who gets the permits?

A9 City of Winnipeg intends to get permits.

Q10 Please describe the City of Winnipeg proposed risk share matrix for construction. DBFM and finance concessions. Who takes what?

A10 The information is in the process of being developed. Will be identified in RFP.

Q11 Why DBFM (Design, Build Finance, maintain)?

A11 Maintenance too small to hand over, considering the maintenance part, e.g. snow clearing. City of Winnipeg wants the proponent to focus on the preservation and maintenance.

Q12 What is the average daily traffic ADT, and ADTT? Growth projections?

A12 40k/day and ADTT is 1% of the 40K, Growth 1% per year.

Q13 Please identify any penalty regime.

A13 Payments will be based on asset availability, details have not developed yet but will be in the RFP and can be discussed in the confidential meetings with the qualified bidders.

Q14 Will the successful proponent have to provide its own maintenance facility or will it be provided by the City of Winnipeg.

- A14 Have to determine what the maintenance will be. Do not anticipate a maintenance facility required. We think that the successful Proponent will probably engage local contractors for maintenance.
- Q15 What will be the hand back requirements?
A15 To be developed in the RFP, hand back bridge in similar condition, as it is in following refurbishment at hand back . The expected life is 75 years from the completion of the refurbishment..
- Q16 How long in the OMR term?
A16 Contemplating a lease term of 30 years. Negotiation with the proponents will happen.
- Q17 Please describe the project politics with municipal, CPR, Federal, Provincial, aboriginal, communities and utilities.
A17 Municipal – council is in favour of the project, Provincial level – in favour, Federal – no federal money in this project at this time. Aboriginal – no issues that we are aware of. CPR. Clearance issues will have to coordinate with them. Community – noise issues, extensive consultation with the community has been happening; they want the bridge open ASAP.
- Q18 Please elaborate on the 3 options for sidewalks. Who chooses the final solution city or bidders?
A18 Consultation process with communities regarding the sidewalk options, City of Winnipeg will choose. Again option for proponents to give innovative ideas.
- Q19 Please describe the financial commercial deal the payment financial notion.
A19 Commercial/financial not developed yet, significant work on it to be done. 30 year term, payment linked to availability of the asset.
- Q20 Why no honorarium? Every other province pays substantial contribution to cost?
A20 Various Jurisdictions are considering honorariums on a case by case basis. Note that subsequent to the meeting the honorarium is being reconsidered.Q21 What is the break payment amount?
A21 in the range of \$500k,
- Q22 How will scope and responsibility be allocated between public/private sectors in terms of routine maintenance? Major maintenance, responsibility of existing structures, latent defects.
A22 That will all be covered in the agreement. Proponents will be allowed to address it in the confidential meetings.

- Q23 Can the project be cancelled if the cost is 300 million +?
A23 Certainly/Yes
- Q24 How robust is the preliminary financial model that Deloitte has done.
A24 Looked at preliminary numbers; detailed estimate will be done prior to the RFP issuance. Conceptual estimates, RFQ will have more detailed info on how the estimates have been derived.
- Q25 If costs doubles is there still a project financially and politically?
A25 Probably not.
- Q26 Will it be possible for the City of Winnipeg to indicate in the RFQ the basic deal points "heads of terms"
A26 We don't, but can consider it. Note that subsequent to the meeting the basic deal points will be included in the RFQ.
- Q27 What will be the approval process from the City of Winnipeg? Is there an amount that would cause the City to cancel?
A27 The City of Winnipeg will determine at evaluation. Reasonable amount value for money, there has to be a deal there.
- Q28 Is there a need for any DFO environmental permits such as from DFO. If so are they in process.
A28 The permit process is starting should be routine environmental protection works. More of a DFO notification than a request.
- Q29 Was any thought given to building a new bridge if so why not?
A29 Early on in the process we considered 6 lanes/new bridge all sorts of options but it comes down to money. The City of Winnipeg can't afford a new bridge for 300 million.
- Q30 What will be the spilt with maintenance/rehab works
A30 Details to be worked on before the RFP stage. Depends on level of maintenance component the city intends to do.
- Q31 What happens if the City of Winnipeg doesn't perform to required standards resulting in additional risk/cost in rehab work?
A31 The City of Winnipeg is currently doing annual investigation reports on the Charleswood bridges and we intend to do the same on the Disraeli. The City would have an obligation to do the work.
- Q32 Has any consideration been given to a two stage process (technical followed by financial submission at a later date)?

- A32 The City, for this project is doing 3 stages of information submission. Maybe considered. The city is looking at engaging someone (lawyer) to expedite the RFP process.
- Q33 Can you discuss the concessions obligations relating to operations management and life cycle risk?
- A33 Work in process will be in the RFP document until finalized.
- Q34 Can you discuss previous foundation assessments?
- A34 Part of the conceptual design been done by local geo-technical firm. And will be available.
- Q35 Are as builts available?
- A35 Everything will be available on the website; inspection reports, maintenance records,
- Q36 Will any form of Bid security be required at RFQ/RFP stage
- A36 Nothing is being considered now.
- Q37 Are all the options currently being considered with a future to 6 lane/ or twin bridges configuration.
- A37 There would have to be considerable demolition with options B and C.