



The Corporation of the Town of Tecumseh

Public Works & Engineering Services

To: Mayor and Members of Council

From: Phil Bartnik, Director Public Works & Engineering Services

Date to Council: February 13, 2024

Report Number: PWES-2024-09

Subject: Disaster Mitigation and Adaptation Fund
Phase 1: Scully- St. Mark's Pump Station Replacement and
Riverside Drive Reconstruction Project
Award of Engineer of Record Services

Recommendations

It is recommended:

That Dillon Consulting Limited **be retained** for Engineer of Record Services for the Scully-St. Mark's Pump Station Replacement and Riverside Drive East Reconstruction Project in the amount of \$179,500 excluding HST as a Single Source procurement under the Town of Tecumseh Purchasing Policy and By-Law 2021-60 as amended by By-Law 2021-103;

And further that the Mayor and Clerk **be authorized** to sign a Change Order or such other further documents as may be necessary to give effect to the requested change in scope/additional services to be provided by Dillon Consulting Limited pursuant to the original agreement authorized via By-law 2023-078

Background

As per previous reports to Council, the Town was successful in a funding application to the Government of Canada's 2020 Intake for the Disaster Mitigation and Adaptation Fund (DMAF), being a program that supports large-scale infrastructure project to help communities better manage the risks of disaster triggered by natural hazards. The

Town's 2020 application included a bundled project totalling \$26.75M (in 2019-dollar value), which was approved for a total DMAF funding amount of \$10.7M for the following projects:

- Scully & St. Mark's Storm Pump Station & Riverside Drive Trunk Storm Sewer project (Phase 1)
- P.J. Cecile Storm Pump Station Improvements project (Phase 2)

Phase 1 consists of decommissioning the St. Mark's storm pump station and redirecting those flows into an upgraded and expanded Scully-St. Mark's storm pump station located at the existing Scully storm pump station site to provide a greater level of service. The consolidated Scully-St. Mark's pump station is to have increased pump capacity to accommodate the additional flows from the current St. Mark's service area, as well as other adjacent areas where interconnections and overland flows have been identified as part of the Town's Storm Drainage Master Plan (2019). This project also includes trunk storm sewer improvements along Riverside Drive to add resiliency to the system and improve the level of service to address area-wide issues of surface flooding.

In early 2023, the detailed design for this project was completed by the Town's Consultants, Dillon Consulting Ltd. (Dillon), WSP E&I Canada Limited (Wood Canada Limited), and SSL Project Services Incorporated. The tender documents for construction, including engineering drawings and specifications, were posted to the Town's Bids and Tenders portal in April 2023. Council via By-law 2023-074 authorized and approved the recommendations of Report [PWES-2023-44](#), which awarded the construction contract to Sterling Ridge Infrastructures Inc.

To ensure the above noted project is constructed in accordance with the approved designs and tender requirements, the services of a qualified engineering consultant for contract administration, construction observation and commissioning services were retained through a Request for Proposal (RFP) process. Council via By-Law 2023-078 authorized and approved the recommendations of report [PWES-2023-48](#) to award the Engineering Consulting Services to Dillon Consulting Limited in accordance with the Town's Purchasing Policy (Policy No. 17) and Schedule 'A' of By-law 2021-60.

Comments

To date, construction has started and is expected to be finished by late 2024/early 2025.

Throughout construction, there have been instances where construction items are required to be approved by the Design Engineer, which is typically referred to as **Engineer of Record Services**. These services were not included in the original RFP for Contract Administration and Contract Observation (CA/CO), as it could have resulted in

an unfair advantage for Dillon over other bidders. Having completed the design, Dillon retains extensive understanding of the design and required construction submittals. Through a typical RFP process, other Engineers submitting costs for Engineer of Record Services would have to include additional time/cost to conduct a comprehensive review of the design drawings/specifications to satisfy their understanding of the design prior to issuing any approvals for contractor submissions during construction. This would put the Engineer at a disadvantage in submitting a competitive bid. Accordingly, Engineer of Record Services was not included in the scope of the RFP for CA/CO.

Purchasing Policy

The Town's Purchasing Policy has undergone several revisions since 2006, the most recent being through By-Law 2021-60 and amending By-law 2021-103.

Section 3.4 of By-law 2021-60 states the following:

“In circumstances where there may be more than once source of supply in the open market, but only one of these is recommended by the Department Director, with concurrence of the Purchasing Officer, for consideration on the grounds that it is more cost effective or beneficial to the Town; and where the expenditure will exceed \$100,000, approval must be obtained from Town Council prior to negotiations with the single source. The Department Director shall be responsible for submitting a report detailing the rationale supporting the use of the single source.”

Recommendation

Continuity in the engineering consulting services is critical for successful and efficient completion of this project. Given past involvement as the Design Engineer for this project, Administration recommends that Dillon Consulting Limited (Dillon) be retained to provide Engineer of Record Services during construction on a time and material basis to an upset amount of \$179,500, excluding HST. These additional services if approved would be treated as a Change Order to the original Agreement authorized.

Consultations

Financial Services

Dillon Consulting Limited

Financial Implications

The total approved project budget was updated to \$23,346,900 through the construction tender award report [PWES-2023-44](#). The Engineering component of the projected costs included an allowance of \$200,000 for Engineer of Record Services. As a result, approval of additional funds is not required.

Link to Strategic Priorities

Applicable	2023-2026 Strategic Priorities
<input type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input checked="" type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Joseph Lappalainen, E.I.T.
Project Technician

Reviewed by:

John Henderson, P.Eng.
Manager Engineering Services

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

Reviewed by:

Phil Bartnik, P.Eng.
Director Public Works & Engineering Services

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
None	None