



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: May 28, 2024

Report Number: PWES-2024-32

Subject: County Road 43 Improvements, W-4 Trunk Watermain
Cost Sharing Agreement with the County of Essex

Recommendations

It is recommended:

That Report PWES-2024-32 County Road 43 Improvements, W-4 Trunk Watermain, Cost Sharing Agreement with the County of Essex, **be received**;

And that By-law 2024-049 **be given** first, second and third reading to authorize the Mayor and Clerk to execute the Cost Sharing Agreement, satisfactory in form to the Town's solicitor, with the Corporation of the County of Essex;

And further that funding allocation, reflecting a total budget required of \$3,161,200 with an overall \$1,724,800 decrease to the original allocation **be accommodated** as follows:

- Watermain Reserve Fund – decrease from \$4,886,000 to \$3,161,200

Background

As Council may be aware, the County of Essex is improving County Road 42 (CR42) from the City of Windsor to County Road 19 (Manning Road/CR19) and County Road 43 (CR43) just south of CR42 extending north to CP Rail. Phase 1 was completed last year, including work on storm sewers, sanitary sewers and watermains between

Concession Road 11 and Pike Creek, as well as construction of temporary lanes for traffic and some minor utility relocations.

Phase 2 of this project includes the reconstruction and realignment of CR43 from CR42 to the CP Rail, construction of a roundabout at the intersection of CR42 and CR43, and the installation of new storm sewers and watermains to accommodate existing and future development.

In May 2023, Council approved the recommendations of Report [PWES-2023-42](#) (Motion: RCM-141/23), which provided authorization to proceed with the following:

- The design of the CR43 Trunk Watermain Project W-4 (CP-Rail to CR42) in 2023 with construction in 2024 as part of the County of Essex's CR43 Improvement Project;
- The expenditures of \$4,886,000 for the engineering and construction costs to be funded from the Watermain Reserve Fund;
- That Dillon Consulting Limited be retained for engineering consulting services, including completion of detailed design, drawings and specifications, contract administration and inspection for the CR43 W-4 Trunk Watermain on CR43 (CR42 to CP Rail)...;

County of Essex Procurement of the CR43 Improvement Project & W-4 Trunk Watermain

On May 7, 2024, the County of Essex retained Dillon Consulting Limited (Dillon) for Project Management (PM) and Contract Administration (CA) Services for the CR43 Improvement project and W-4 Trunk Watermain, for a value not to exceed \$271,700.

On April 4, 2024, the County advertised a Request for Tenders (RFT) for the furnishing of all labour and materials for construction, with a closing date of May 9, 2024. A total of five (5) tenders were received by the County. Upon review of the submissions, the County awarded the Tender to GIP Paving Inc. (GIP Paving) on May 14, 2024 at a total value of \$20,774,000.

The County also advertised a Request for Proposals (RFP) for Inspection Services and Construction Observation (CO) on April 11, 2024. Submissions were received by the County up to April 25, 2024. A total of six (6) proposals were received and evaluated by County Staff. Ultimately, the RFP for Inspection Services was awarded to ConceptDash Inc. (ConceptDash) on May 13, 2024, for a value not to exceed \$250,000.

Town Administration is reliant on the County's Procurement Policy and subsequent awarding of the services required for the CR43 Improvement Project and W-4 Trunk Watermain.

Comments

To formalize the cost sharing, an agreement has been prepared which outlines the County's portion and Town's portion of the costs completed by GIP Paving for construction and the consulting services provided by both Dillon and ConceptDash.

In general, the Town will be responsible for the following:

- The Town will reimburse the County for the invoiced amount by GIP Paving with respect to installation of the watermain works;
- The Town will reimburse the County for all shared general and miscellaneous expenses related to the installation of the watermain works, denoted under Schedule 'A' General Expenses within the Agreement;
- The Town shall reimburse the County for the Town's portion of the watermain works for the consultants (Dillon and ConceptDash) and general expenses incurred, as calculated by determining the total number of working days to complete the Town's portion and dividing it by the total number of working days at the conclusion of the project.

The Cost Sharing Agreement between the County and the Town has been reviewed by the Town's Solicitor and the Town's Engineer. The Cost Sharing Agreement is appended to By-Law 2024-049.

Consultations

Financial Services
Legislative Services & Clerk
The Corporation of the County of Essex

Financial Implications

Following substantial completion of the construction, the County and Town will conduct a final reconciliation of the cost sharing proportions based on the actual construction costs (charged to the County by the Consultant and Contractor) incurred as part of the CR43 Improvement Project and W-4 Trunk Watermain.

Council approved an allocation of \$4,886,000 for the watermain works as part of the CR43 Improvement Project as recommended within reports PWES-2023-42 and PWES-2024-07.

The tendered/projected costs are summarized below:

Cost Items (Town Portion)	Amount
Construction (Watermain works)	\$2,378,600
Construction Contingency (for final reconciliation)	\$300,000
Engineering Consulting (Design)	\$150,000
Engineering Consulting (PM & CA)	\$40,500
Engineering Consulting (Inspection Services/CO)	\$37,500
Budgetary Contingency	\$200,000
Sub-total	\$3,106,600
Non-rebated HST (1.76%)	\$54,600
Total	\$3,161,200

The total tendered/projected cost is below the original \$4,886,000 budget by \$1,724,800. This is mainly due to the removal of the second phase of the Watermain Works (estimated at \$1.1M) consisting of the installation of a 300mm diameter trunk watermain from CR43 easterly to connect to the W-1 Watermain (trunk watermain south of CP Rail), as the W-1 Watermain was deferred beyond 2028. This would relate to an approximate savings of \$624,800 coming from the tendered works.

Link to Strategic Priorities

Applicable	2023-2026 Strategic Priorities
<input checked="" 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:

Robert Auger, LL.B.
Director Legislative Services & Clerk

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