



Report to Council

Department: Infrastructure Services
Division: Capital Works and Asset Management
Date: September 3, 2024
Prepared by: David McBeth, C.E.T.
Manager, Capital Works and Asset Management
Report Number: Capital Works and Asset Management-2024-14
Subject: Engineering Services for the Maidstone-Arthur-Gosfield Intersection Improvements
Number of Pages: 3

Recommendation(s)

That Capital Works and Asset Management-2024-14 entitled "**Engineering Services for the Maidstone-Arthur-Gosfield Intersection Improvements**" **prepared** by David McBeth, Manager, Capital Work & Asset Management dated September 3, 2024 be received, and

That Council approve the additional engineering and project management costs for PW-21-0037 "**Maidstone-Arthur-Gosfield Intersection Improvements**" in the amount of \$42,024.39 including non-refundable Harmonized Sales Tax, as it results in a combined Request for Proposal award amount of greater than \$120,000.

Purpose

In accordance with the Town Procurement By-Law Number 2129, Council approval is required for recommending award of a contract for goods and services if the value is greater than \$120,000.

Background and Discussion

In 2021, in accordance with the Town Procurement By-Law at the time (#1043), engineering services for the Maidstone-Arthur-Gosfield Intersection Improvements were awarded to BT Engineering Inc. in the amount of \$73,414.75, including non-refundable Harmonized Sales Tax.

As the project started detailed design, additional engineering fees for design scope changes became necessary for land acquisitions, utility relocations and photometric reviews, which provided additional costs to the project and were approved by Council as part of the 2023 Capital Budget. Those additional fees totaled \$28,950.72, including non-refundable Harmonized Sales Tax, which were approved by Administration per the procurement By-Law, bringing their engineering budget to a total of \$102,365.47, including non-refundable Harmonized Sales Tax.

As construction progressed on the project, BT Engineering Inc. did not request additional budget to cover the required fees to provide full-time onsite inspection when Administration brought Council Report Capital Works 2023-12 to award Quinlan Inc. the construction contract. Full time inspection is a requirement of the Town for any large construction projects and the number of working days in the original budget was not adequate for the required working days in the contract with Quinlan.

BT Engineering Inc. continued to provide the required engineering services, but Administration would not approve their scope change until all the project costs were calculated, to have a complete financial picture of the project and to not violate our own procurement By-Law. Due to some cost savings during utility relocations and road construction, the Town has remaining budget to compensate BT Engineering Inc. for the additional engineering services in the amount of \$42,024.39, including non-refundable Harmonized Sales Tax. As this amount would bring their engineering services in excess of

\$120,000.00 above the original award value approved by Council, this report was prepared to **obtain Council's authorization** as required by the **Town's** procurement By-Law.

Administration is therefore recommending paying BT Engineering Inc. requested fees out of the remaining project budget at no additional project overrun. These additional costs will still leave Administration with \$13,923.44 in project budget for any items that come up as part of the remaining works.

Financial Impact

As the additional engineering consulting fees are within the already approved budget, there is no additional financial impact expected .

Consultations

Kevin Girard, Director, Infrastructure Services

Kate Giurissevich, CPA, CA, Director, Corporate Services/Treasurer

Jackson Tang, Assistant Manager, Business Services

Link to Strategic Priorities

- Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.
- Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.
- Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.
- Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.
- Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.
- Improve the Town's capacity to meet the ongoing and future service needs of its citizens** while ensuring the corporation is resilient in the face of unanticipated changes or disruptions.

Report Approval Details

Document Title:	Engineering Services for MAG - Capital Works and Asset Management-2024-14.docx
Attachments:	
Final Approval Date:	Aug 23, 2024

This report and all of its attachments were approved and signed as outlined below:



Kevin Girard, Director, Infrastructure Services - Aug 22, 2024 - 3:48 PM

No Signature - Task assigned to Kate Giurissevich, Director, Corporate Services was completed by delegate Ann Marie Unis

Kate Giurissevich, Director, Corporate Services - Aug 22, 2024 - 4:59 PM



Doug Sweet, Chief Administrative Officer - Aug 23, 2024 - 8:39 AM