



## Report to Council

Department: Infrastructure Services  
Division: Infrastructure Services  
Date: March 1, 2021  
Prepared by: Kevin Girard, P.Eng., MBA  
Director, Infrastructure Services  
Report Number: Infrastructure Services-2021-05  
Subject: Ward 1 Water Supply West of Highway 3  
Number of Pages: 6 (plus 2 appended)

### Recommendation(s)

**That** Infrastructure Services – 2021 – 05 entitled, “Ward 1 Water Supply West of Highway 3” prepared by Kevin Girard, Director of Infrastructure Services dated March 1, 2021 be received, and

**That** Council approve the sole sourcing to Dillon Consulting and Coco Paving Inc., acting as the Design-Build Team for the Ministry of Transportation’s Highway 3 Widening Project (Contract 2020-3006), to design and construct a new watermain crossing Highway 3 as described in this report.

**That** Council authorize the expenditure of \$148,569.60 including applicable taxes from the Town’s Water Reserves to design, construct and administer the installation of the watermain crossing Highway 3 at the 14<sup>th</sup> Concession.

## **Purpose**

In accordance with the Town Procurement By-Law Number 1043, Council approval is required to waive the requirements for proposals, tenders and quotations for consulting and professional services under Section 22.02 of the procurement and disposal of goods and services policy.

## **Background and Discussion**

With the completion and previously received Transportation Environmental Study Report (TESR) in November of 2016 completed by the Ministry of Transportation (MTO), the framework has been established for the widening of Highway 3 from 0.8km west of Ellis Side Road easterly to 2.2 km east of Essex County Road 23. This project (Ministry Contract No. 2020-3006) has been awarded by the MTO as a Design-Build project to the joint team comprised of Dillon Consulting and Coco Paving Inc.

The Town has been working in close partnership with the MTO and the Design-Build Team to complete the Highway 3 widening project. Through this partnership, it was proposed by Town administration that an opportunity existed to take advantage of economies of scale to install a new watermain crossing to service the industrial lands, as designated in the Town's Official Plan, west of Highway 3 to promote growth in this sector. It was agreed upon by the MTO that this work could be included as part of the Highway widening contract and paid for directly by the Town.

Installation of this watermain is a direct initiative from the Town's Strategic Plan to develop an industrial and commercial development plan for the Highway 3 Corridor. Servicing the lands west of Highway 3 is anticipated to improve the marketability of the lands and incentivize development. This opportunity will also be completed in conjunction with the previously received Council report titled, "Sanitary Service Area Amendment - Infrastructure Report-2020-13" to develop a servicing plan for both water and wastewater for the lands identified in Figure 1.



***Figure 1: Industrial Lands Identified in Official Plan***

The Town has received a quotation from the Highway 3 Widening design-build team to design and install a watermain crossing as generally shown in Figure 2. The watermain is required to meet MTO standards and requirements to be installed through their property. Therefore, this watermain is required to be installed in a 450mm diameter casing. The quotation provided to design this watermain is \$15,264 including applicable taxes, where the cost for construction is \$133,305.60 including applicable taxes. In review of this cost with other past crossings, the Town's Infrastructure Services Department believes this price to be reasonable.

Should Council decide to not construct this watermain crossing at this time, additional costs will be incurred to complete this work at a later date including, but not limited to:

- Additional construction and material costs from inflation
- Loss of opportunity through economies of scale
- Additional MTO permitting and reviews
- Costs for mobilization of Town procured Contractor

- Costs for additional engineering

For the reasons stated above, it is recommended that Council approve the installation of this watermain in conjunction with the MTO Highway 3 Widening Project. In addition, that Council approve the sole-sourcing to the design-build team in accordance with Procurement By-Law #1043 and the attached Procurement Section 22 request.



***Figure 2: Proposed Watermain Crossing***

## **Financial Impact**

The total cost to install the watermain crossing as generally shown in Figure 1 is \$148,569.60 including applicable taxes. The approved 2021 Budget does not include any allocation of funds for this project. Therefore, It is proposed that the immediate costs for the installation be funded by Water Reserves.

It is administrations intention to research potential cost recovery strategies for the full cost to install this watermain. Following this research, administration intends to bring a future

report to Council for consideration on the feasibility and potential options to recover these costs.

## **Consultations**

Jeffrey Morrison, Director, Corporate Services/Treasurer

Jackson Tang, Assistant Manager, Business Services

Robert Auger, Town Solicitor, Legal and Legislative Service/Clerk

Lori Chadwick, Director, Development 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:	Ward 1 Water Supply West of Highway 3 - Infrastructure Services-2021-05.docx
Attachments:	- Procurement Section 22 - Hwy3 watermain.pdf
Final Approval Date:	Feb 23, 2021

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

A handwritten signature in black ink, appearing to read "Chris Nepszy". The signature is fluid and cursive, with a period at the end.

**Chris Nepszy, Chief Administrative Officer - Feb 23, 2021 - 5:25 PM**