

To: Warden and Members of County Council

From: Director of Public Works

Construction Contract Award – Ingersoll Water Tower Rehabilitation

RECOMMENDATIONS

1. That County Council award a contract to Landmark Municipal Services in the amount of \$2,201,300 (excluding HST) for the 2022 construction contract for the rehabilitation of the Ingersoll Water Tower in the Town of Ingersoll;
2. And further, that County Council authorize additional funding in the amount of \$175,000 to address the 2022 budget shortfall, to be financed from the Water - Ingersoll reserve;
3. And further, that Council authorize the Chief Administrative Officer and Director of Public Works to sign all documents related thereto.

REPORT HIGHLIGHTS

- The purpose of this report is to seek County Council approval to award a contract for the 2022 Rehabilitation of the Ingersoll Water Tower in accordance with the County Purchasing Policy.
- The Ingersoll Water Tower has reached the point in its service life where the rehabilitation of the exterior coating system and interior systems is required, along with upgrades to the accesses, process piping and electrical systems to ensure ongoing operational reliability and compliance with current safety standards.
- The project is expected to commence in February 2022 and be completed by October 2022.

Implementation Points

Upon approval of the recommendations contained in this report, a work plan and construction contract will be executed with the successful contractor. Staff will continue to liaise with Ingersoll Fire Services and other local stakeholders regarding the project schedule and progress in order to ensure that water service is maintained, and a safe working environment is provided for the contractor while adequately maintaining the communication networks that use the tower.

To support energy conservation and efficiency goals under the County's 100% Renewable Energy Plan, lighting retrofits are also planned as part of this project.

Financial Impact

The low bid for the tendered work was \$2,201,300 (excluding HST).

Contract amounts and funding sources for this project are summarized in Table 1 below.

Table 1 – Funding Summary for *Ingersoll Water Tower Rehabilitation Project*

2022 Budget Summary Account / Description	Available 2022 Budget	Bid Amount (excluding HST)
Construction Contract (Landmark Municipal Services) (approved budget: \$2,295,000) (less other projects & services: \$70,000)	\$2,225,000	\$2,201,300
Subtotal	\$2,225,000	\$2,201,300
Consultant Contract – CIMA+ (Engineering, Testing & Inspection)		\$100,000
Contract Administration & Project Management		\$55,000
Non-Refundable HST (1.76%)		\$40,503
TOTAL ESTIMATED CONSTRUCTION EXPENDITURES		\$2,396,803

Based on the information provided above, additional funding is required to cover the cost of the construction contract. In order to proceed with awarding the contract to the low bidder, it is recommended that an additional \$175,000 be transferred from the Water - Ingersoll reserve to fund the anticipated deficit amount related to the water tower rehabilitation. The 2022 budgeted closing balance of the Water – Ingersoll reserve is \$5,059,249, which is sufficient to fund the additional requirement.

Communications







The communication strategy for this project will be similar to other County construction projects. The Contractor's project manager and the County's project manager will form an open channel of communication and will include other members of the project team as needed. These communications will commence upon approval of this report and will continue for the duration of the project.

Oxford County staff have had communication with the Town of Ingersoll staff with respect to the scope of work and planned schedule, and further communication is planned prior to and throughout construction. A Notice of Construction letter will be delivered to nearby property owners and construction signage will be posted at the project location to alert the general public in advance.

As construction begins, Ingersoll residents will be informed about construction progress through a dedicated webpage focusing on the several projects throughout the County starting in 2022.

Staff will continue to work with key internal stakeholders (County Management staff, Water/Wastewater staff) and external stakeholders during the execution of this project as required to ensure the appropriate level of communication and outreach is maintained, and further ensuring all parties involved are updated on project status and outcomes as needed.

Strategic Plan (2020-2022)

					
WORKS WELL TOGETHER	WELL CONNECTED	SHAPES THE FUTURE	INFORMS & ENGAGES	PERFORMS & DELIVERS	POSITIVE IMPACT
1.ii.		3.iii.			

DISCUSSION

Background

The Ingersoll water tower is an elevated steel spheroid design, which was constructed in 1970. The steel tank has a max diameter of 20 m (~ 65 ft), height of 12 m (~40 ft), and storage capacity of approximately 2,850 m³. The tank is supported on a 34 m (~110 ft) high steel pedestal. It is understood that original protective coatings were completely replaced in 1990. The tower is also utilized by the County as a telecommunications hub. The location of this tower is shown in Attachment 1.

In December 2017, a tank cleaning and inspection was conducted, which identified that the exterior and interior coating systems were in poor or very poor condition and were nearing the end of their service lives. The inspection also identified that the landing platforms were showing signs of corrosion and the accesses and fall-arrest systems were not up to current Health and Safety standards.

In 2020, a Request for Proposal was issued and the County contracted with CIMA+ Engineering Ltd. to provide pre-design, design, tendering and construction administrative assistance for the rehabilitation and upgrade of the Ingersoll Water Tower (as well as the Norwich Water Tower as a second facility within the same contract). CIMA+ conducted its own site inspection of the tower in July 2020 in support of the pre-design work and confirmed the findings of the 2017 inspection. In addition, process piping upgrades within the tower valve room were proposed as part of this overall rehabilitation and upgrade.

Water storage facilities are required to maintain adequate flows and pressures to consumers during peak demands, and to meet critical demands during fire flow and emergency conditions. The primary purpose of this project is to ensure that this vital asset is maintained in a state of good repair.

Water storage structures, such as the Ingersoll water tower, have a typical service life of 75 years. A critical part of ensuring this service life is achieved is the periodic replacement of the protective interior and exterior coating systems. Such systems require replacement every 20 to 30 years. The current coatings have been in place for 30 years and a re-coating at this time is a standard major maintenance activity.

Comments

The approved 2022 capital budget of \$2,225,000 for the Ingersoll Water Tower Rehabilitation project was based on life-cycle, cost-benefit analysis and asset management best practices, and included the following primary scope of work:

- Complete replacement of existing interior tank linings;
- Over-coating or complete replacement of existing exterior coating systems; and
- Miscellaneous upgrades as required to ensure compliance with current health and safety standards, and/or to improve operation and maintenance.

Five contractors were pre-qualified to bid on the Ingersoll Water Tower Rehabilitation project. The following three submissions were received at tender close on Monday, December 13, 2021, as shown in Table 2 below.

Table 2: Tender Submissions Received for the Ingersoll Water Tower Rehabilitation Project

Contractor	Bid Amount (HST Excluded)
1. Landmark Municipal Services	\$2,201,300
2. Dayson Industrial Services	\$2,405,785
3. BGL Contractors Corp	\$2,779,157

Staff have reviewed the submissions and confirmed that the low bid received from Landmark Municipal Services in the amount of \$2,201,300 (excluding HST) represents good value for the work.

As this project has the possible risks that would be associated with any construction project of this scale and scope, the successful Contractor is required to secure construction bonds and insurance to mitigate risks related to the exposure of financial loss.

Conclusions

Review of the bid submissions confirms that it is appropriate to award the proposed rehabilitation of the Ingersoll water tower to the low bidder, Landmark Municipal Services.

SIGNATURES

Report Author:

Original Signed By

Reuben Davis, P.Eng.
Supervisor of Engineering Services

Departmental Approval:

Original Signed By

David Simpson, P.Eng., PMP
Director of Public Works

Approved for submission:

Original Signed By

Michael Duben, B.A., LL.B.
Chief Administrative Officer

ATTACHMENT

Attachment 1: Project Site Location