

**To:** Warden and Members of County Council

**From:** Director of Public Works

## Contract Funding – George Johnson Boulevard Storage Building, Ingersoll

### RECOMMENDATION

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1. That Oxford County Council authorize additional funding in the amount of \$107,000 to address the budget shortfall for the George Johnson Boulevard Storage Building contract, to be funded from the Water – Ingersoll Reserve.

### REPORT HIGHLIGHTS

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- The purpose of this report is to obtain \$107,000 in additional funds to proceed with the design and construction to replace the existing materials storage building at 59 George Johnson Boulevard in Ingersoll.
- The construction of a replacement materials storage building will allow current operational needs to be met and add necessary features like improved organization and material security to the facility, which is not available within the current storage area.
- Construction is anticipated to begin in September 2022 and be completed by the end of December 2022. Demolition of the existing storage building will follow construction and will be completed in early 2023.

### Implementation Points

Upon Council approval, a design-build contract will be executed with the low bidder, Reid and Deleye Contractors Ltd., prior to proceeding with the work. At this time, based on estimated Site Plan Approval timelines, it is anticipated that construction work will begin in September and be complete by the end of December 2022.

### Financial Impact

This work was planned for and approved as part of the 2022 *Business Plan and Budget*; however, the bid exceeds the approved project budget. The construction costs and funding source for the project are summarized in Table 1 below.

Table 1: Funding Summary for 59 George Johnson Blvd. Storage Building

2022 Budget Summary Account / Description	Bid Amount (excluding HST)
911272 – 59 George Johnson Blvd Storage Building Design and Construction	\$532,602
Non-Refundable HST (1.76%)	9,374
Demolition of Existing Storage Building	20,000
Project Contingency	20,000
<b>TOTAL ESTIMATED EXPENDITURES</b>	<b>\$581,976</b>
<b>Available 2022 Budget</b>	<b>475,000</b>
<b>BUDGET SHORTFALL</b>	<b>\$106,976</b>







The anticipated project costs exceed the approved budget by approximately \$107,000. The budgeted 2022 closing balance of the Water – Ingersoll Reserve is \$5,059,249, which is sufficient to fund the additional amount required.

## Communications

The project was publicly tendered through *Bids&Tenders* and closed on Thursday, April 28, 2022. Upon Council approval, an award letter will be sent to the successful bidder and contract execution will commence.

Once the design has been finalized, an application for Site Plan Approval through the Town of Ingersoll will be completed. Through this process, applicable stakeholders will be engaged prior to final approval and issuance of a building permit. The work will be contained within the County site, with minimal external impacts, so no public notices will be required.

## Strategic Plan (2020-2022)

					
<b>WORKS WELL TOGETHER</b>	<b>WELL CONNECTED</b>	<b>SHAPES THE FUTURE</b>	<b>INFORMS &amp; ENGAGES</b>	<b>PERFORMS &amp; DELIVERS</b>	<b>POSITIVE IMPACT</b>
				5.ii.	

## DISCUSSION

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### Background

The facility at 59 George Johnson Boulevard serves as the main operational and storage area which supports a number of surrounding water and wastewater sites and systems. The existing site includes an eight-bay maintenance facility, with office, lunchroom and washroom facilities, a small green storage building, as well as exterior storage.

The storage building has reached the end of its useful service life and currently is in a state of disrepair. The long standing building structure is no longer conducive to existing operations as it is too small to properly store material, such as pipe and large valves. Based on the current state, it is not cost effective to complete maintenance repairs and upgrades on a building that is not adequately sized to properly support the ongoing site activities.

As approved through the 2022 Business Plan and Budget, a new building was warranted to replace the existing facility (which is in poor asset condition) and store additional operational materials indoors in a weather-tight environment in order to minimize material exposure to the weather elements and improve material security.

Upon completion of the construction work and transition of all materials into the new building, the existing storage building will be demolished to provide more staging room on the south-east side of the site. The demolition scope will be awarded once construction of the new building is nearing completion.

### Comments

The 2022 budget included \$475,000 for the construction of a new material storage building that replaces the existing storage building.

A public tender through *Bids&Tenders* was posted on April 6, 2022 and closed on April 28, 2022. Upon tender closing, County staff received the following bid outlined in Table 2.

Table 2: Summary of Bid Submission

Contractor	Bid Amount (excluding HST)
1. Reid & Deleye Contractors Limited	\$532,602

Staff have reviewed the submissions and confirmed that the bid received from Reid and Deleye Contractors Limited, in the amount of \$532,602 (excluding HST), represents good value for the work in the current construction market. Should the contract not be awarded and the work does not proceed, staff at this site will continue to struggle with material storage and security.

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

## **Conclusions**

It is recommended that Council approve the above-noted funding allocation in order to advance the George Johnson Boulevard Storage Building project to alleviate the ongoing material storage concerns and improve overall operations.

## **SIGNATURES**

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### **Report Author:**

Original signed by

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Mike Amy, FMP, SFP  
Supervisor of Facilities

### **Departmental Approval:**

Original signed by

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

### **Approved for submission:**

Original signed by

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