

**THE CORPORATION OF THE CITY OF WINDSOR  
OFFICE OF THE CITY ENGINEER – ENGINEERING**

**MISSION STATEMENT:**

*"Our City is built on relationships – between citizens and their government, business and public institutions, city and region – all interconnected, mutually supportive, and focused on the brightest future we can create together"*

<b>LiveLink REPORT #:</b> 17997 AFB/12131 SW2015	<b>Report Date:</b> October 13, 2014 (5062-10/19/15:eb)
<b>Author's Name:</b> Wesley Hicks	<b>Date to Council:</b> November 2, 2015
<b>Author's Phone:</b> 519 255-6351 ext. 6490	<b>Classification #:</b>
<b>Author's E-mail:</b> whicks@city.windsor.on.ca	

**TO:** Mayor and Members of City Council

**SUBJECT:** 2016 Public Works Capital Budget Pre-Approval

**1. RECOMMENDATION:** City Wide:  X  Ward(s): \_\_\_\_\_

That City Council **APPROVE** an amount of \$10,632,000 as detailed in Appendix "A", representing a first charge to the 2016 Capital Budget, in order to take advantage of competitive bidding for infrastructure projects.

**EXECUTIVE SUMMARY:**

N/A

**2. BACKGROUND:**

Early approval of capital projects allows two important things:

- (i) Maximize the number of competitive bids, thus reducing the cost to the City, and
- (ii) Allows for construction to be completed during the best weather, reducing construction time costs, City exposure to claims and ensuring completion in the construction season. This also allows for engineering and Ministry of Environment Approvals to be completed earlier.

In order to allow early tendering of construction projects, Council has in the past number of years, pre-approved a number of capital projects. For 2016, the areas of highest need are set out in Appendix "A" and identify a pre-approval requirement of \$10,632,000.

**3. DISCUSSION:**

Administration is submitting this pre-approval report in order to allow tendering of projects in a timely manner.

Public Works has prioritized these projects. This process establishes the areas of highest need based on structural rating, neighbourhood benefit or safety improvement.

In reviewing Appendix "A", the works can be generally categorized as addressing:

- (1) Basement flooding
- (2) Road rehabilitation
- (3) Sewer rehabilitation
- (4) Sidewalk rehabilitation
- (5) Road improvements and
- (6) Health and safety.

Purchasing By-law 93-2012 provides the following approval authority:

***"Administrative Approval***

*37. The CAO may:*

*(a) approve a requisition and make an Award of up to \$150,000, provided the funds have been included in the Council-approved operating or capital budget.*

*(b) approve a requisition and make an award of and RFT of any dollar value provided the funds have been included in the council-approved operating or capital budget, and the RFT Response does not exceed that approved budget;*

*(C) delegate his or her authority to in this section to any employee. (Deleted and Replaced B/L 145-2014 August 25, 2014)"*

In accordance with normal practice, the above noted delegation of authority, and the pre-approval of the budget amount as noted herein, the tenders will be awarded to the low bidder and reported within the semi-annual Delegation of Authority report by the CAO.

#### **4. RISK ANALYSIS:**

Pre-approval allows administration to tender projects earlier in the year, resulting in reduced tender prices and allows construction to proceed in a timely manner. If pre-approval is not granted, 2016 Capital Works will not be tendered until after the Capital Budget is approved.

##### **Resource Risk:**

Tendering projects early allows Administration to maximize the number of competitive bids received. Tenders prices tend to be lower earlier in the season as contractors are looking to secure the first one or two contracts.

##### **Timing Risks:**

Timing is key to securing the best bids from the most contractors possible. The later projects are tendered, the fewer the contractors that bid, and generally the higher the tender prices are.

Waiting until the entire Capital Budget is approved will affect those projects scheduled to be tendered in January and February which is prime time to solicit bids for work to start early as weather allows.

**Community Impact Risk:**

It is essential that tenders get out earlier in the season in order to ensure that a project can be completed within the construction season. In some cases, where a tender cannot be put out early enough, restoration of grassed areas is delayed until the following season.

**5. FINANCIAL MATTERS:**

The approval of the projects noted in Appendix "A" will mean a pre-commitment of \$10,632,000 in funding available for the 2016 Capital Budget. The projects will be funded as follows:

<u>Funding Source</u>	<u>Budget</u>
Federal Gas Tax	\$2,382,000
Sewer Surcharge	\$8,250,000
Total	<u>\$10,632,000</u>

All projects within this pre-approval report are contained within the 5-year Capital Budget.


Other capital budgets will be brought forward to Council as part of the formal budget process based on the guidelines and direction received from Council and will be debated and approved on their individual merit.

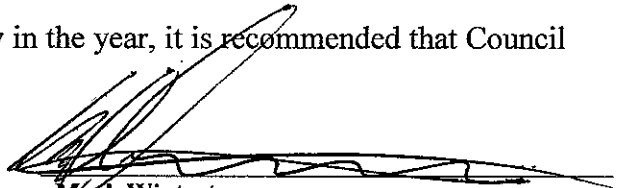
**6. CONSULTATIONS:**

Norbert Poggio - Windsor Utilities Commission

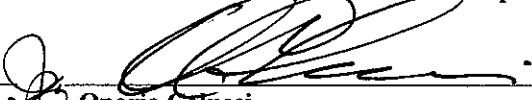
**7. CONCLUSION:**

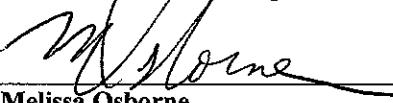
In order to take advantage of tendering projects early in the year, it is recommended that Council **APPROVE** an amount of \$10,632,000.

  
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 Wesley Hicks  
 Senior Manager, Infrastructure and Geomatics/Deputy  
 City Engineer

  
 \_\_\_\_\_  
 Mark Winterton  
 City Engineer and Corporate Leader  
 Environmental Protection and Transportation

  
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 Dwayne Dawson  
 Executive Director of Operations

  
 \_\_\_\_\_  
 Onorio Colucci  
 Chief Financial Officer/City Treasurer MD

  
 \_\_\_\_\_  
 Melissa Osborne  
 Senior Manager of Asset Planning

  
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 Helga Reidel  
 Chief Administrative Officer

WH/mb  
Attachment

**APPENDICES: Appendix "A"-Priority Tender Capital Budget Submission (2016)**

**DEPARTMENTS/OTHERS CONSULTED:**  
 Name:  
 Phone #: 519 ext.

APPENDIX "A"

Priority Tender Capital Budget Submission (2016)

2016 Capital Budget Pre-Approval - Operations

Total Budget Approved in 2015 - \$9,864,810

Road Rehab Recommended 2016 Pre-approvals \$2.382 million

<u>Reconstruct</u>	<u>Street</u>	<u>From</u>	<u>To</u>	<u>Budget</u>	<u>Funding Source</u>	
*	Ontario Street	George Avenue	High Street	\$700,000	Federal Gas Tax	OPS-001-07
*	Hall Avenue	Hanna Street	Tecumseh Rd.	\$515,000	Federal Gas Tax	OPS-001-07
*	Everts Avenue	Norfolk Street	Cul-de-sac	\$347,000	Federal Gas Tax	OPS-001-07
*	Langlois Ave.	Shepherd Street	Tecumseh Rd.	\$820,000	Federal Gas Tax	OPS-001-07

\* **Watermain Component** – The projects identified have a Watermain contingent component, and the funding commitment of the Windsor Utilities Commission is required in order to proceed.

*Note: All of the above projects are scheduled for February / March tender targets.*

APPENDIX "A" (continued)

Priority Tender Capital Budget Submission (2016)

2016 Capital Budget Pre-Approval - Engineering

Total Budget Approved in 2015 - \$24.15 million

Recommended Sewer Related 2016 Pre-approval - \$ 8.25 million

* 1.	St. John St	Menard St	Clairview Ave	\$2,300,000	Sewer Surcharge	ECP-035-07
2.	Queen St	Prince Rd	South St	\$2,400,000	Sewer Surcharge	ECP-035-07
3.	South National Sanitary	Tourangeau Rd	Francois Rd	\$950,000	Sewer Surcharge	ECP-035-07
* 4.	Lens/Marentette/Vimy	Parent/Vimy	Woodlawn/Memorial	\$2,600,000	Sewer Surcharge	ECP-035-07

\* **Watermain Component** – The projects identified have a Watermain contingent component, and the funding commitment of the Windsor Utilities Commission is required in order to proceed.

*Note: Item 2 is tentatively scheduled to be tendered in December 2015.*

*All other items are tentatively scheduled to be tendered in January / February.*