

MINUTES

PUBLIC UTILITIES COMMISSION

CIVIC CENTRE
COUNCIL LOUNGE

DECEMBER 5, 2011
2:00 PM

PRESENT: Commissioners Bob Myers, Steve Pinsonneault, Bryon Fluker, Mayor Randy Hope, A/CAO Ray Payne, General Manager Tom Kissner, Facilities and Systems Manager, Rob Bernardi.

NOT PRESENT: Chairman Jeff Wesley, Commissioners Frank Vercooteren and Leon Leclair.

1. **CALL TO ORDER**

A/Chairman Hope called the meeting to order at 2:00 PM.

1. **DECLARATION OF PECUNIARY INTEREST**

NONE

3. **REPORTS**

a) Consultant Assignment – Asbestos Management Program

MUNICIPALITY OF CHATHAM-KENT

Public Utilities Commission

TO: PUC Chairperson and Commissioners
FROM: Tom Kissner
General Manager, Chatham-Kent PUC
DATE: November 29, 2011
SUBJECT: Consultant Assignment
RFP 11-228 – Consultant Services
Designated Substance Surveys – Various Municipal Facilities

RECOMMENDATIONS

It is recommended that:

1. The information pertaining to the Public Utilities Commission contained in the proposal submitted by the firm of AMEC Environment and Infrastructure (AMEC) in response to RFP 11-228 – Designated Substance Surveys – Various Municipal Facilities be accepted.
2. Commission supports Council's direction regarding the authorization of the Mayor and Clerk in signing the necessary agreement and documents.

BACKGROUND

In September of 2011, Chatham-Kent Council received *Report to Council 3388* entitled *Chatham-Kent Asbestos Management Program Phase I – Completion of Designated Substance Program*. This Report outlined the requirements of the *Notice of Compliance* as issued by the Ministry of Labour and the pending deadline of June 2012 (imposed by the Ministry of Labour) for the completion of all designated substance surveys and the establishment of a Corporate Asbestos Management Program.

A Request for Proposal was issued in October of 2011 and Proposals were received by the Purchasing Officer on November 16, 2011. Proposals were received using a “two-envelope” system – one envelope containing a Technical Proposal and one envelope containing a Fee Proposal.

COMMENTS

A total of eight (8) firms submitted materials prior to the deadline. Proposals were reviewed and evaluated following the evaluation matrix as provided in the RFP.

The following table summarizes the results of the technical and fee proposal evaluation and final score of each submitting firm.

Rank	Submitting Firm	Office Location	Final Score
1.	AMEC Environment & Infrastructure	London, Ontario	1084
2.	Golder Associates	London, Ontario	1049
3.	Pinchin Environmental	Tilbury, Ontario	830 ^B
4.	ECOH Management Incorporated	Mississauga, Ontario	760 ^A
5.	DST Consulting Engineers	Waterloo, Ontario	709 ^A
6.	T.Harris Environmental Management Inc.	London, Ontario	688 ^A
7.	Stantec Consulting	Kitchener, Ontario	654 ^A
8.	Grande Environmental Projects Limited	Mimico, Ontario	381 ^A

Note A: Fee Envelope was not opened and no points associated with fee have been added to the score.
 Note B: Fee Envelope submitted was incomplete and did not consider Addendum 2.

The proposal submitted by AMEC Environment & Infrastructure illustrated the staffing resources, methodology and quality controls necessary to successfully complete the project. Based on the panel review process, the proposal submitted by AMEC Environment & Infrastructure was deemed to be the preferred submission.

The breakdown of the financial implications on a practice area / divisional basis is provided in the table below. Costs provided include the cost of completing the designated substance survey plus testing allowances.

Area / Division	Estimated Amount
Asset Management	\$124,775.12 + HST
Chatham-Kent Energy	\$9,730.39 + HST
Chatham-Kent PUC	\$ 354,992.04 + HST
Community Services	\$116,682.34 + HST
Public Works	\$10,972.50 + HST
Total	\$617,152.39 + HST

These fees shall be funded through the various existing budgets maintained by the respective Departments.

COMMUNITY STRATEGIC PLAN

The recommendations in this report support the following objectives and strategic directions:

A. Health – We are a healthy community

A1: Provide sufficient capacity to sustain community health and economic growth

B. Economy – We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

Desired Outcomes

- Provide safe, accessible, convenient and efficient public transportation
- Support new infrastructure investments and modernize existing infrastructure

The recommendations will not adversely impact on the remainder of the Community Strategic Plan.

CONSULTATION

Proposals were received, opened and distributed to Engineering and Transportation Division by the Purchasing Officer. Proposals were circulated, reviewed, evaluated, and ranked by a panel consisting of the following members of staff:

- Manager, Infrastructure and Transportation
- Manager, Municipal Assets
- Manager, Occupational Safety
- Manager, Recreation Facilities
- Project Coordinator – Chatham-Kent Public Utilities Commission
- Purchasing Analyst - Chatham-Kent Energy

The panel was supported by the Purchasing Officer.

FINANCIAL IMPLICATIONS

The recommendation presented in this Report has an estimated associated financial implication of \$354,992.04 + HST in fees and material testing.

	BASE	TESTING	
PUC I	\$ 98,259.54	\$ 37,456.00	
PUC II	\$ 167,328.50	\$ 51,948.00	
	\$ 265,588.04	\$ 89,404.00	\$ 354,992.04

PUCII consists of all water and wastewater Facilities, where PUC I consists of all remaining PUC Facilities.

It should be noted that costs associated with testing are estimates only as established by the proponent based on past project experiences for facilities of similar size, vintage and usage.

Costs for asbestos abatement is not included in the estimated costs provided in this report.

Variances (whether increases or decreases) to these estimates can be expected as the project unfolds as testing costs are subject to vary based on the exact number and frequency of tests conducted per the requirements of the Regulations.

Prepared by:

 Jeannie Medeiros
 Technical Assistant/Projects Coordinator
 Chatham-Kent PUC

Reviewed by:

 Rob Bernardi
 Manager, Facilities & Systems
 Chatham-Kent PUC

Reviewed by:

 Tom Kissner
 General Manager
 Chatham-Kent PUC

Moved by Commissioner Pinsonneault and seconded by Commissioner Myers.

“That the information pertaining to the Public Utilities Commission contained in the proposal submitted by the firm of AMEC Environment and Infrastructure (AMEC) in

response to RFP 11-228 – Designated Substance Surveys – Various Municipal Facilities be accepted.

Commission supports Council’s direction regarding the authorization of the Mayor and Clerk in signing the necessary agreement and documents.”

Motion carried

b) Fifth Line East Waterline Extension

MUNICIPALITY OF CHATHAM-KENT

Public Utilities Commission

TO: PUC Chairperson and Commissioners
FROM: Jeannie Medeiros
Technical Assistant/Projects Coordinator, Chatham-Kent PUC
DATE: December 1, 2011
SUBJECT: Fifth Line East Waterline Extension
(Community of Raleigh)

RECOMMENDATIONS

It is recommended that:

1. The proposed Fifth Line East waterline extension not proceed at this time.
2. The property owners in this area are informed by letter of the vote results and the PUC action.

BACKGROUND

The PUC received a petition in March 2011 requesting consideration for municipal water located along Fifth Line East which was voted on and approved to proceed by Commission at the regular PUC meeting on June 27, 2011.

The waterline will be connected to the existing main at 7733 Fifth Line East and extend east and end at 7566 Fifth Line East for an approximate distance of 960 m. A project map of the proposal is on page 6.

A second waterline extension petition along Fifth Line East was submitted to the PUC in July 2011.

COMMENTS

The system would have been connected to the new main to be installed at 7566 and extend east along Fifth Line East and end at 6829 Fifth Line East for an approximate distance of 4500 m. An area map of the proposal is on page 5.

A total of twenty-three (23) occupied residential properties and four (4) vacant agricultural properties or second units existed within the proposed water distribution area.

The estimated cost per connection for the proposed waterline extension, including the 2011 Part 12 Charge was \$15,910 and \$3,599 for vacant agricultural land or second unit (25%).

The estimated cost for the project, including engineering was \$446,253.

Details of the project and the estimated cost per connection were presented to the benefiting property owners at a public meeting held on September 21 at Kinsmen Auditorium and by mail using a ballot page and information package.

An information and vote package describing the proposed extension project and costs associated, was distributed to the benefiting property owners on September 23, 2011. A ballot was included with the return date of October 14.

Eighty-eight percent (88%) of the property owners returned the ballots. The ballot results were forty-five percent (45%) of proceeding with the project.

Based on the approved Waterline Assessment Policy requiring 66% support, it is our recommendation that the PUC not proceed with providing water servicing to the residences along Middle Line and that the property owners are notified by letter, of the vote results and the PUC action.

COMMUNITY STRATEGIC PLAN

The recommendations in this report support the following objectives and strategic directions:

B. Economy-We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

Desired Outcomes / Proposed Activities

- Advocate for essential provincial and federal investment and equitable tax policies to support financing and effective operation of sustainable transportation systems, water, sewer and waste management services.
- Support new infrastructure investments and modernize existing infrastructure.
- Maintain and improve the quantity and quality of ground and surface waters

The recommendations will not adversely impact the remainder of the Community Strategic Plan.

CONSULTATION

Engineering and Transportation Division carried out the project costing.

FINANCIAL IMPLICATIONS

Project costs would have been recovered through assessment.

Prepared by:

Jeannie Medeiros
Technical Assistant/Projects Coordinator
Chatham-Kent PUC

Reviewed by:

Tom Kissner
General Manager
Chatham-Kent PUC

Moved by Commissioner Myers and seconded by Commissioner Pinsonneault.

“That the proposed Fifth Line East waterline extension not proceed at this time.

The property owners in this area are informed by letter of the vote results and the PUC action.”

Motion carried

c) Middle Line/Wheatley Rd. Waterline Extension (Lakeshore)

MUNICIPALITY OF CHATHAM-KENT

Public Utilities Commission

TO: PUC Chairperson and Commissioners

FROM: Tom Kissner
General Manager, Chatham-Kent PUC

DATE: November 29, 2011

SUBJECT: Middle Line/Wheatley Road Waterline Extension, Town of Lakeshore

RECOMMENDATIONS

It is recommended that:

1. The PUC pays the \$21,627.65 to cover the cost of the realignment of the Middle Line/Wheatley Road Waterline Extension.

BACKGROUND

At the regular PUC meeting on September 23, 2010, the Commission approved that the Middle Line (Cty Rd 46) / Wheatley Rd (Cty Rd 1) waterline project proceed.

The system includes construction of a 150 mm waterline along Middle Line and a 100 mm waterline along Wheatley Road.

A total of nineteen (19) properties exist along this portion of the petitioned area, which includes the Tilbury Golf Course.

Dillon Consulting Limited prepared an estimated cost for the proposed waterline. The estimated cost per connection for the proposed Wheatley Road/Middle Road waterline extension, including the 2010, Part 12 Charge was \$10,301.00.

The over-sizing cost of \$31,821.00 associated with the ability to meet the demands of the Tilbury Golf Club will be charged to the golf course.

At the regular PUC meeting on September 29, 2011, the Commission approved the tender amount of \$142,672 excluding engineering and HST to be awarded to Sherway Contracting.

COMMENTS

In July 2011, a fibre optic line was installed immediately south of the shoulder area on the south side of the road where the waterline was going to run. This has forced the waterline to be moved into the granular shoulder for the entire length of the project.

Essex County engineers, who are the road authority along Middle Line and the western half of Wheatley Road, has concerns with the standard trench backfill detail shown on the design drawings which shows native backfill with 300mm Granular "A". County of Essex standard require recycled 0-3" granular rather than native material.

The additional cost for the full granular backfill is approximately \$27,204. By using full granular backfill, the total contract price would be \$185,933, which includes engineering fees but does not include HST. This increase would change the assessment to \$10,330 per connection (excluding Part 12 Charges) which is 17.6% above the \$8,786 voted cost.

It is PUC policy to inform property owners of a potential difference in assessment cost estimates when they grow beyond 10% before construction begins as well as conduct a re-vote based on the new cost estimates.

If the project is re-voted and voted down, there are fees that have been accrued and will need to be paid. Those project fees accrued to date are listed below:

Item	Estimated fee
Engineering	\$ 13,700.00
Bonds, Insurance	\$ 8,388.00
Pipe Material (Contract Price)	\$ 18,410.10*
	\$ 40,498.10

*15% of the Tendered pipe material fee

If the waterline was to move forward, the annual PUC revenue for the project area is \$58,208.00.

To keep the project costs to the 10% maximum increase and to eliminate the need for a re-vote, the PUC would have to cover the project fees over \$164,305.35, which is estimated at \$21,627.65.

Therefore, it is recommended that the PUC pays the \$21,627.65 to cover the cost of the realignment of the Middle Line/Wheatley Road Waterline Extension in order to stay under the 10% cost per connection increase.

COMMUNITY STRATEGIC PLAN

The recommendations in this report support the following objectives and strategic directions:

B. Economy-We are a prosperous community

B3: Maintain and enhance new and existing infrastructure to support economic and smart growth opportunities

Desired Outcomes / Proposed Activities

- Advocate for essential provincial and federal investment and equitable tax policies to support financing and effective operation of sustainable transportation systems, water, sewer and waste management services.
- Support new infrastructure investments and modernize existing infrastructure.
- Maintain and improve the quantity and quality of ground and surface waters

The recommendations will not adversely impact the remainder of the Community Strategic Plan.

CONSULTATION

Dillon consulting Limited were consulted with during the writing of this report.

FINANCIAL IMPLICATIONS

The estimated cost of \$31,821.00 associated with over-sizing will be charged to the Tilbury Golf Club.

The cost of \$21,627.65 associated with the realignment of the waterline would be charged to the PUC and is currently available/planned for in the 2012 PUC Budget.

If Commission does not support the recommendation contained in this report, a re-vote will be required to occur. If the project is not supported through the re-vote, the PUC will be obligated to pay costs of \$40,498.10 that are associated with the project to this point in time.

All other costs associated with the project will be recovered through assessment.

Prepared by:

Jeannie Medeiros
Technical Assistant/Projects Coordinator
Chatham-Kent PUC

Reviewed by:

Rob Bernardi
Manager, Facilities & Systems
Chatham-Kent PUC

Reviewed by:

Tom Kissner
General Manager
Chatham-Kent PUC

Moved by Commissioner Fluker and seconded by Commissioner Myers.

“That PUC administration negotiate with the engineering firm their share of the cost of the overrun.”

Motion carried

4. INFORMATION

a) Chatham Daily News Article – “man wants water deposit returned”.

Moved by Commissioner Pinsonneault and seconded by Commissioner Myers.

“To receive the information”.

Motion carried

5. **ADJOURNMENT**

Moved by Commissioner Pinsonneault and seconded by Commissioner Myers.

“That the meeting be adjourned at 2:16 PM.”

Motion carried