

Municipality of Chatham-Kent

Community Development

Planning Services

To: Mayor and Members of Council

From: Ryan Jacques, RPP, MCIP
Director, Planning Services

Date: March 27, 2023

Subject: Single Source – Dillon Consulting Limited for Environmental Site Assessment Phase II for Affordable Housing Development at 55 Minnie Street, Wallaceburg

Recommendations

It is recommended that:

1. The Consulting Services for Environmental Site Assessment Phase II at 55 Minnie Street, Wallaceburg be single sourced to Dillon Consulting Limited at a total value of \$91,021.50 including HST.
2. The total project cost of \$91,021.50 be funded from 15558.50072.SHADMIN account.

Background

The Procurement By-law #166-2020 was adopted by Council on December 14, 2020. The Single Source section of the Procurement states the following:

A non-competitive direct award of Contract may be used to purchase Deliverables from Municipality funds only and with a value of \$100,000 or less with the prior approval of the CAO under the following circumstances:

- a. Where there is one (1) or no (0) Response to a competitive process;
- b. To recognize exclusive rights, or to maintain specialized products that must be maintained by the manufacturer or its representative or where the Municipality is contractually bound to purchase a Deliverable from one Supplier;
- c. To purchase an item for testing or trial use;
- d. Where Deliverables are in short supply due to market conditions, including geographic limitations and lack of competition;

- e. To exercise a purchase option under a rental contract;
- f. To purchase Goods offered for sale by auction or tender;
- g. Where a competitive method of purchasing could interfere with the Municipality's ability to maintain security or order, or to protect human, animal or plant life. For clarity, this exception only applies where the competitive method of purchasing is what causes the interference, not where the good or service being purchased affects the ability to maintain security or order, or protects human, animal, or plant life.
- h. Where an unforeseeable situation of urgency exists, and competitive methods of purchasing would result in the Municipality's inability to obtain the Deliverable in time. For clarity, this exception cannot be used where the urgency was foreseeable. or,
- i. Where Deliverables relating to matters of a confidential or privileged nature are required and disclosure of these matters could reasonably be expected to compromise confidentiality, cause economic disruption, or otherwise be contrary to the public interest.

Comments

The procurement of the recommended services has occurred, and work began on March 6, 2023. The procurement of these services did not comply with the Procurement By-law, as it does not meet the criteria for a non-competitive award.

In January 2023, Dillon Consulting Limited completed a Phase I Environmental Site Assessment at 55 Minnie Street, Wallaceburg. In accordance with the Procurement By-law, the Phase I Environmental Site Assessment was procured in July 2022 at a cost of \$8,700 +HST.

The Phase I report identified Areas of Potential Environmental Concern (APECs) and Potentially Contaminating Activities (PCAs) on-site and within the Phase I Study Area. Based on the findings, Dillon Consulting Limited then prepared scope of work needed for a Phase II Environmental Site Assessment.

The Phase II ESA will investigate soil and groundwater on the site through borehole drilling and monitoring well installation. The sampling locations and laboratory analysis parameters will be selected based on the APECs identified during Phase I report. The Phase II report is required for the Municipality to proceed with redevelopment of the Site for residential land uses. The Phase II results will inform any remedial actions required to obtain a Record of Site Condition under the Environmental Protection Act. A Record of Site Condition is a requirement to change the use of the land from Industrial to Residential in accordance with Ontario Regulation 153/04 under the Environmental Protection Act.

It is Administration's expectation that Dillon Consulting Limited will continue to advise Chatham-Kent on the environmental conditions of the site, up to and including the filing of a Record of Site Condition. Future cost proposals will be considered for approval prior to work

being undertaken. This process is one where each step informs the next, and the qualified professional filing for the Record of Site Condition must conduct the due diligence through every stage of the project. Without continuing the project with the same consultant, Chatham-Kent is not able to provide clearly defined specifications for each stage of work, which is a requirement of the Procurement By-law.

Based on the Council approved Recommendations to Encourage and Develop Affordable Housing in Chatham-Kent December 20, 2021, Chatham-Kent is preparing the property at 55 Minnie Street, Wallaceburg for redevelopment to residential uses. The Site is currently vacant, and it is the intention of the Municipality to prepare this site to be ready for any upcoming shovel ready affordable housing development funding opportunities.

Dillon Consulting Limited has experience in Environmental Site Assessment in the Chatham-Kent community and understands the building requirements and needs of the Municipality of Chatham-Kent. The scope of work they have provided for this ESA Phase II closely matches the needs for the development of this land parcel.

Areas of Strategic Focus

This report supports the following areas of strategic focus:

			
Economic Prosperity	Healthy & Safe Community	People & Culture	Environmental Sustainability
	2.3		4.1

Consultation

The Manager, Purchasing & Accounts Payable, was consulted regarding the Procurement By-law.

The Director, Financial Services was consulted regarding the Financial Implications.

The Director, Housing Services was consulted regarding the December 20, 2021 recommendations to encourage and develop affordable housing.

Communication

Communication is proposed to be through the inclusion of this report on the Council agenda and related communications.

Diversity, Equity, Inclusion and Justice (DEIJ)

This report does not have implications related to diversity, equity, inclusion or justice.

Financial Implications

The project is being funded from the 15558.50072.SHADMIN account and Chatham-Kent Housing Services budget variance.

Prepared by: Ryan Jacques, RPP, MCIP, Director, Planning Services

Reviewed by: Jennifer Scherle, Manager, Purchasing & Accounts Payable

Reviewed by: Ray Harper, CPA, CMA, PMP, Director, Housing Services

Reviewed by: Matt Torrance, MBA, CPA, CGA, Director, Financial Services

Reviewed by: Bruce McAllister, RPP, MCIP, General Manager, Community Development

Attachment: None