



Administrative Report

To: Warden MacDonald and Members of Essex County Council

From: Allan Botham, P.Eng.
Director, Infrastructure & Planning Services

Date: Wednesday, June 19, 2024

Subject: Cost Sharing Agreement with Town of Tecumseh

Report #: 2024-0619-IPS-R14-AB

Purpose

The purpose of this Administrative Report (the "**Report**") is to provide County Council with information and recommendations related to entering into a Cost Sharing Agreement with the Town of Tecumseh related to Phase II of the County Road 42/County Road 43 project (the "**Project**").

Background

Phase II of the Project is now underway, with Phase II being comprised of, among other things, the installation of a watermain (the "**Works**"). The Works are not required by the County and was requested by the Town of Tecumseh (the "**Town**") to accommodate existing residents in the area of the Project and to support future development and growth.

For Council's information, The County and the Town entered into a Cost Sharing Agreement for Phase I of the Project in 2023, in order for the County to complete other work requested by the Town, and to bill the costs for same back to the Town.

The cost for the Works of the Town in Phase II of the Project are estimated to be the sum of \$2,378,561.00, plus related engineering and project management costs.

The County and the Town have agreed to the form and content of a Cost Sharing Agreement for Phase II of the Project, a copy of which is appended to this Report as **Appendix "A"**. The Town has, at a meeting of Town Council on May 28, 2024, authorized its Clerk and Mayor to execute the draft Cost Sharing Agreement.

Discussion

For a number of years, the County has undertaken works for local municipalities as part of larger County projects using informal agreements. However, as the cost of projects continues to grow, starting in or about 2022, the County started putting formal agreements in place to ensure clarity on how reimbursements are to be handled on County projects that locals choose to participate in.

It was because of this new practice that the Town entered into a Cost Sharing Agreement with the County in 2023, and is why a Cost Sharing Agreement is being recommended for Phase II of the Project as well.

The Cost Sharing Agreement simply formalizes the existing verbal agreement that the County will complete the Works on behalf of the Town as part of the larger Project, with the County to be reimbursed by the Town for all of the costs for same.

Financial Implications

There are no negative financial implications. The County will initially cover the cost of the Works, as accounted for within the project's budget. Full reimbursement from the Town of Tecumseh for their portion of the project is expected as per the agreement.

Consultations

I consulted with and worked closely with the County's Project Manager for this Project and the County Solicitor in negotiating the terms of the Cost Sharing Agreement with the Town of Tecumseh and the Town's in-house legal counsel.

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Scaling Sustainable Services through Innovation <input checked="" type="checkbox"/> Focusing "Team Essex County" for Results <input type="checkbox"/> Advocating for Essex County's Fair Share 	<ul style="list-style-type: none"> <input type="checkbox"/> Being an Employer with Impact <input type="checkbox"/> A Government Working for the People <input type="checkbox"/> Promoting Transparency and Awareness 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Providing Reliable Infrastructure for Partners <input checked="" type="checkbox"/> Supporting Dynamic and Thriving Communities Across the County <input type="checkbox"/> Harmonizing Action for Growth <input type="checkbox"/> Advancing Truth and Reconciliation

Recommendation

That Essex County Council receive Report No. 2024-0619-IPS-R14-AB for information and authorize the Clerk and the Warden to execute the Costs Sharing Agreement with the Town of Tecumseh, substantially in the form appended to this Report.

Approvals

Respectfully Submitted,

Allan Botham

Allan Botham, P.Eng., Director, Infrastructure and Planning Services

Concurred With,

Sandra Zwiers

Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
A	Draft Cost Sharing Agreement