



**The Corporation of the
City of Sault Ste. Marie**

COUNCIL REPORT

July 14, 2025

TO: Mayor Matthew Shoemaker and Members of City Council

AUTHOR: Maggie McAuley, Manager of Design and Transportation
Engineering

DEPARTMENT: Public Works and Engineering Services

RE: Peoples Road Reconstruction – Railway Warning
Protection Systems

Purpose

The purpose of this report is to obtain Council approval for the procurement of the design and installation of the warning protection systems for the railway on Peoples Road.

Background

At the May 12, 2025 Council meeting, the contract for reconstruction of Peoples Road was awarded and Council was informed that the railway crossing would be upgraded in coordination with Watco, the railway owner.

At the June 23, 2025 Council meeting, Council approved \$219,165 to be spent on the upgrading the railway surface.

Analysis

The City engaged Watco's contractor CDL Electric Canada to complete a grade crossing safety assessment of the railway crossing in order to meet current standards. It is recommended to install automatic crossing gates for the road as well as the multi-use path and the sidewalk. The non-competitive method of sourcing the work to CDL Electric Canada is recommended because they were chosen by Watco, the owner of the railway. This sole source request is in accordance with the Purchasing By-law 22.3a), c) as the service is supplied by the by the owner's representative, and absence of competition for technical reasons.

Through negotiations with Watco, it is recommended that the City pays for 100% of the gate for the multi-use path which is a new feature installed along the roadway and share the costs for the roadway and sidewalk gates 50% each with Watco. Watco has requested that the City invoice them for their appropriate costs in Q1 2026.

Financial Implications

When non-recoverable HST is added, the cost to design and install the warning protection systems is projected to be \$670,616. When all other costs associated with the railway upgrades, including costs that were previously approved by Council and staff level purchase orders, the total costs are projected to be \$1,008,935. The City's share of this work is projected to be under the allowance that was included for the railway upgrades in the Peoples Road Reconstruction contract award approved at a previous meeting.

Strategic Plan / Policy Impact / Climate Impact

This report is linked to the Infrastructure focus area of the Corporate Strategic Plan.

Recommendation

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Design and Transportation Engineering dated July 14, 2025, concerning the railway warning protection systems for Peoples Road Reconstruction be approved and that CDL Electric Canada be authorized as sole source to proceed with final design and installation of the warning protection systems.

Respectfully submitted,

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