



**To:** COUNCIL  
**Meeting Date:** 12/3/2024  
**Subject:** Middle Block Road Sanitary Trunk Sewer  
**Submitted By:** Sheryl Ayres, Chief Financial Officer  
**Prepared By:** Andrea Geoffrey, Procurement Coordinator  
**Report No.:** 24-076-CRS  
**File No.:** T24-101  
**Wards Affected:** All Wards

### **RECOMMENDATION(S):**

THAT Report 24-076-CRS Middle Block Road Sanitary Trunk Sewer be received;

AND THAT Request for Tender # T24-101 – Middle Block Road Sanitary Trunk Sewer be awarded to T. Musselman Excavating, ON in the amount of \$3,398,972 excluding applicable taxes;

AND FURTHER THAT it is recommended to draw \$599,500 from DC Reserve Fund - Wastewater in order to complete this project.

### **EXECUTIVE SUMMARY:**

#### **Purpose**

This report provides information to council on the tender for construction of 1145m of 1050mm diameter sanitary trunk sewer in Middle Block Road between Intermarket Road and Fountain Street North.

#### **Key Findings**

The City undertook a competitive process for qualified sanitary sewer industry specialists in order to complete the construction of 1145m of 1050mm diameter sanitary trunk sewer in Middle Block Road between Intermarket Road and Fountain Street North.

#### **Financial Implications**

City staff are recommending that T24-101 – Middle Block Road Sanitary Trunk Sewer be awarded to T. Musselman Excavating, ON in the amount of \$3,398,972, excluding applicable taxes. Additional funding of \$599,500 is required to award this project, to be drawn from DC Reserve Fund - Wastewater.

## **STRATEGIC ALIGNMENT:**

Strategic Action

**Objective(s):** Not Applicable

**Strategic Action:** Not Applicable

**OR**

Core Service

**Program: Procurement**

**Core Service:** Procurement

## **BACKGROUND:**

The City undertook an open competitive Tender process to procure professional construction services from a qualified vendor to perform Middle Block Road Sanitary Trunk Sewer, between Intermarket Road and Fountain Street North.

Request for Tender T24-101- Middle Block Road Sanitary Trunk Sewer was issued on October 17<sup>th</sup>, 2024 and closed on November 4<sup>th</sup>, 2024.

The Tender results in an overall project budget deficit of \$599,500, as outlined in the Financial Impact section of this report below. The costs are considered to be an accurate reflection of current costs to complete the project.

It is recommended that the Tender is approved for award and additional funding be drawn from the DC Reserve Fund Wastewater.

## **ANALYSIS:**

On October 17<sup>th</sup>, 2024 the City issued a Request for Tender on the City's e-bidding website.

Twelve (12) submissions were received at the time of the submission deadline, the lowest bidder being T. Musselman Excavating. Bid Amounts are listed as follows, in order from lowest to highest.

- T. Musselman Excavating - \$3,398,971.61
- Kieswetter Excavating Inc. - \$3,622,743.36
- In4Structure Ltd. - \$4,146,029.60
- Navacon Construction Inc. - \$4,286,253.60
- Clearway Construction Inc. - \$4,416,466.30
- Network Sewer and Watermain Ltd. - \$4,807,373.61

- Brantford Engineering and construction Limited - \$4,821,263.50
- J-AAR Civil Infrastructures Limited - \$4,998,297.41
- Regional Sewer and Watermain Ltd. - \$5,724,411.80
- Moorefield Excavating Ltd. - \$5,850,659.50
- Sierra Infrastructure Inc. - \$6,143,992.00
- D'Orazio Infrastructure Group Limited - \$6,714,559.43

### **EXISTING POLICY / BY-LAW(S):**

Under Procurement By-Law 19-187, the Manager of Procurement or their designate, who is under the general direction of the Chief Financial Officer, is delegated the authority to approve the award of Tenders and Proposals when all of the following conditions have been satisfied:

- a) When there is sufficient funding, as approved by Council through the budget process and verified by the Finance Division by the Departmental Recommendation to Award Report.
- b) When all procedures in accordance with this By-Law, have been followed; and
- c) When the lowest compliant Tender bid or highest scored Proposal is accepted and recommended.

This award requires approval from Council as additional funding is required.

### **FINANCIAL IMPACT:**

The budget for the capital project was developed from a high-level conceptual design prior to completing the detailed design. During the detailed design process, groundwater concerns were noted, which impacted the budget. The tender bid includes a contingency amount to address additional site conditions impacting construction.

The successful bid is higher than the capital project budget but has been determined through a competitive tendering process that included 12 submissions.

This tender was over budget by 20%, or \$599,500. Table 1 – A/00571-41 Middle Block Road Truck Sanitary Sewer provides a summary analysis.

It is recommended that additional funding of \$599,500 be obtained through Wastewater-DC.

Table 1 – A/00571-41 Middle Block Road Truck Sanitary Sewer.

| Item of Expense                        | Funding Reserve Fund       | Approved Budget    | Tender T24-101*    | Other Commitments* | Savings/ (Deficit) |
|--|----------------------------|--------------------|--------------------|--------------------|--------------------|
| Cost Share with Region                 | External Recovery - Region | \$870,200          | \$870,200          | N/A                | N/A                |
| Wastewater                             | DC RF -Wastewater          | \$2,082,800        | \$2,588,600        | \$93,700           | \$599,500          |
| <b>Total Project Savings/(Deficit)</b> | N/A                        | <b>\$2,953,000</b> | <b>\$3,458,800</b> | <b>\$93,700</b>    | <b>(\$599,500)</b> |

\*Net of Applicable HST rebate

**PUBLIC VALUE:**

The public bidding process ensures the City maintains an open and transparent public process that provides accountability on the utilization of financial resources.

**ADVISORY COMMITTEE INPUT:**

Not Applicable

**PUBLIC INPUT:**

Request for Tender # T24-101 – Middle Block Road Sanitary Trunk Sewer was issued October 17<sup>th</sup>, 2024 and closed November 4<sup>th</sup>, 2024.

**INTERNAL / EXTERNAL CONSULTATION:**

Request for Tender Documents were compiled by Procurement; however, the detailed specifications contained within the documents were prepared and submitted to Procurement by Engineering.

**CONCLUSION:**

Staff are recommending award of Tender #24-101 – Middle Block Road Sanitary Trunk Sewer to T. Musselman Excavating, excluding HST.

**REPORT IMPACTS:**

Agreement: **No**

By-law: **No**

Budget Amendment: **Yes**

Policy: **No**

**APPROVALS:**

**This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:**

**Director**

**Deputy City Manager**

**Chief Financial Officer**

**City Solicitor**

**City Manager**

**ATTACHMENTS:**

Not Applicable