

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MARCH 7, 2017</b>
<b>FROM:</b>	<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES AND CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>CONTRACT AWARD: 2017 WATERMAIN CLEANING AND STRUCTURAL LINING TENDER NO 16-105</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contract for the 2017 Watermain Cleaning and Structural Lining Project:

- (a) the bid submitted by Aquarehab (Canada) Inc., 2145 Michelin Street, Laval, Quebec, Canada, Drive, H7L 5B8, at its tendered price of \$5,438,404.00 (excluding H.S.T.), for the 2017 Watermain Cleaning and Structural Lining Program, **BE ACCEPTED**; it being noted that the bid submitted by Aquarehab (Canada) Inc. was the lowest of two bids received and meets the City's specifications and requirements in all areas and that this is the first year of a three year contract, where the City has the sole discretion to renew the contract for two additional years based on price and performance;
- (b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (d) the approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order for the material to be supplied and the work to be done relating to this project (Tender 16-105); and
- (e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

<b>BACKGROUND</b>
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**Purpose:**

This report recommends the award of Tender No. 16-105 to undertake watermain cleaning and structural re-lining as shown on the location map in Appendix B.

**Discussion:**

Since 1989, the City has been rehabilitating watermains using innovative trenchless technologies which include cement mortar lining and more recently structural lining. These methods allow the City to eliminate water quality problems (red/rusty looking water), improve fire flows, gain additional years of life from the mains and delay the need for full replacement reconstruction projects which are both expensive and socially disruptive. The aesthetic water quality in these rehabilitated watermains is dramatically improved.

Over the last several years there has been a shift in focus to structural lining, concentrating on areas of the City where there are no lead services, no other current infrastructure replacement needs (i.e. roads or sewers), and a high frequency of main breaks on cast iron watermains. In areas where structural lining has been performed (in most cases) the occurrence of watermain breaks has dropped to zero. Structural lining also extends the life of watermains by 50 years or more with costs 40-50% lower than traditional open-cut watermain replacement. In general, trenchless technologies, such as structural lining, have substantially lower social and environmental costs when compared to traditional open-cut techniques.

Three contractors had pre-qualified for this year's program; Aquarehab Inc., Michels Canada and Fer-Pal Construction Ltd. Michels Canada did not bid on the project. Fer-Pal Construction Ltd. is the same contractor that completed the City's three year cement mortar lining and structural lining programs from 2007 to 2009 and from 2011 to 2016. Aquarehab Inc. completed the 2010 structural lining program. Currently, there are only a few contractors that have a full structural liner product with the appropriate certification in Ontario and have the capabilities and experience to complete a project of this magnitude.

The current project, involves the cleaning and structural lining of approximately 8200 metres of watermain on Crabtree Avenue, Homestead Crescent, Chapple Hill Road, Scotchpine Crescent, Limberlost Road, Homestead Court, Fairfax Court, Sherwood Forest Square, Kininvie Drive, Ramsay Road, Neville Drive, Edgar Drive, Ford Crescent, Castlegrove Boulevard, Paperbirch Crescent, Rippleton Road, Rippleton Place, Rippleton Court, Castleton Court, Castleton Place, Castleton Close, Rollscourt Place and Citation Drive.

The work is scheduled to take one hundred and thirty (130) working days to substantially complete and will start this spring, following approval of this report.

A Project Location map is attached as Appendix B for reference.

**Tender Summary:**

Tenders for the 2017 Watermain Cleaning and Structural Lining Program were opened on January 18 2017. Two (2) contractors submitted tender prices as listed below (exclusive of H.S.T.).

CONTRACTOR		TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	Aquarehab (Canada) Inc.	\$5,438,404.00	---
2.	Fer-Pal Construction Ltd	\$6,119,964.25	---

All tenders have been checked by the City's project manager.

The tender estimate just prior to tender opening was \$6,000,000 (excluding H.S.T.). All tenders include a contingency allowance of \$500,000.00 (excluding H.S.T.).

**Conclusions:**

Award of this contract to Aquarehab (Canada) Inc. will allow the project objectives to be met within the available budget.

**Acknowledgements:**

This report was prepared within the Water Engineering Division by Dave Chromczak, Technologist.

<b>PREPARED BY:</b>	<b>REVIEWED &amp; CONCURRED BY:</b>
<b>SCOTT MATHERS, MPA, P. ENG. DIVISION MANAGER WATER ENGINEERING</b>	<b>JOHN LUCAS, P.ENG. DIRECTOR – WATER AND WASTEWATER</b>
<b>RECOMMENDED BY:</b>	
<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES &amp; CITY ENGINEER</b>	

February 27, 2017

SM/dc

Attach: Appendix "A" – Sources of Financing  
Appendix "B" – Location Map

c.c. Aquarehab Inc