

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

From: Kelly Scherr, P.Eng., MBA, FEC
Managing Director, Environmental & Engineering Services
and City Engineer

Subject: Contract Award: 2021 Watermain Cleaning and Relining
Program, RFT 20-23

Date: March 2, 2021

Recommendation

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 2020 Watermain Cleaning and Structural Lining Project:

- (a) the bid submitted by Fer-Pal Construction Ltd., 171 Fenmar Drive, Toronto, Ontario M9L 1M7, at its tendered price of \$6,000,869.51 (excluding H.S.T.), for the 2021 Watermain Cleaning and Structural Lining program, **BE ACCEPTED**; it being noted that this is the second year of a three year contract submitted by Fer-Pal Construction Ltd. And where unit prices were carried over from the original tendered contract plus a two percent increase plus an increase for CPI as stipulated in the original contract. The original bid submitted by Fer-Pal Construction Ltd. in 2020 was the lower of two bids received. The City has the sole discretion to renew the contract 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 (RFT 20-23); and
- (e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

Linkage to the Corporate Strategic Plan

This report supports the Strategic Plan in the following areas:

- Building a Sustainable City:
 - Infrastructure is built, maintained and operated to meet the long-term needs of our community; and
 - Growth and development is well planned and sustainable over the long term.
- Leading in Public Service:
 - Trusted, open, and accountable in service of our community;
 - Exceptional and valued customer service; and
 - Leader in public service as an employer, a steward of public funds, and an innovator of service.

Analysis

1.0 Background Information

This report recommends the award of a tender to a contractor to undertake watermain cleaning and structural re-lining as shown on the location map in Appendix B.

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.

1.1 Previous Reports Related to this Matter

Contract Award: 2017 Watermain Cleaning and Structural Lining Tender No 16-105, March 7, 2017 Civic Works Committee, Agenda Item #7

Contract Award: 2018 Watermain Cleaning and Structural Lining Tender No 16-105, April 17, 2018 Civic Works Committee, Agenda Item # 2.9

Contract Award: 2019 Watermain Cleaning and Structural Lining Tender No 16-105, March 18, 2019 Civic Works Committee, Agenda # 2.11

Contract Award: 2020 Watermain Cleaning and Structural Lining RFT 20-23, March 10, 2020 Civic Works Committee, Agenda # 2.18

2.0 Discussion and Considerations

Currently the City focusses structural re-lining 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, the occurrence of watermain breaks has dropped to zero in most cases. Structural lining also extends the life of watermains by 50 years or more when done on watermains that meet the criteria above, and costs 40% lower than traditional open-cut watermain replacement. In general, trenchless technologies, such as structural lining, have substantially lower social and environmental impacts when compared to traditional open-cut techniques.

The current project, involves the cleaning and structural lining of approximately 5200 metres of watermain on Atkinson Boulevard, Whitehall Drive, Kiwanis Park Drive, Borden Street, Cheapside Street, Kaladar Drive, Addison Drive, Nairn Avenue, Wadsworth Street, Pickwick Crescent, Pickwick Place, Kaladar Place, Stronach Crescent, Howland Avenue, Mardell Place, Rushland Avenue, Dixie Street, Dale Street, Hartlett Street and approximately 135 metres of 450mm watermain under the 401 right of way at White Oak Road and Westminster Drive.

The work is scheduled to take one hundred and thirty 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.

The work in 2021 will be the second year of a potential three-year contract, where the City has the sole discretion to renew the contract for the additional years based on price and performance.

3.0 Financial Impact/Considerations

3.1 Tender Summary

The Tender total for the 2021 Watermain Cleaning and Structural Lining Program is \$6,000,869.51 (excluding HST). This includes a contingency allowance of \$550,000.00 (excluding HST).

Conclusion

Award of this contract to Fer-Pal Construction Ltd. will allow the City to achieve the objective of rehabilitating water infrastructure which has been subject to breaks. It is in the best financial and technical interests of the City to proceed with the award of this contract for Watermain Cleaning and Structural Lining.

Prepared by: Aaron Rozentals, GDPA, P.Eng., Division Manager,
Water Engineering

Submitted by: Scott Mathers, MPA, P. Eng., Director, Water And
Wastewater

Recommended by: Kelly Scherr, P. Eng., MBA, FEC
Managing Director, Environmental and Engineering
Services and City Engineer

cc: Dave Chromczak Pat Lupton
Chris Ginty John Simon
Alan Dunbar Fer Pal Construction Ltd.

Appendix 'A' – Sources of Financing

Appendix 'B' – Location Maps 2021 Watermain Cleaning and Lining

Appendix "A"

#21022

March 2, 2021
(Award Contract)

Chair and Members
Civic Works Committee

RE: RFT 20-23 - 2021 Watermain Cleaning and Relining Program
(Subledger WT210001)

Capital Project EW356319 - Main Rehabilitation

Capital Project EW356321 - Watermain Rehabilitation and Relining

Fer Pal Construction Ltd. - \$6,000,869.51 (excluding HST)

Finance and Corporate Services Report on the Sources of Financing:

Finance and Corporate Services confirms that the cost of this project can be accommodated within the financing available for it in the Capital Budget and that, subject to the approval of the Managing Director, Environmental and Engineering Services and City Engineer, the detailed source of financing is:

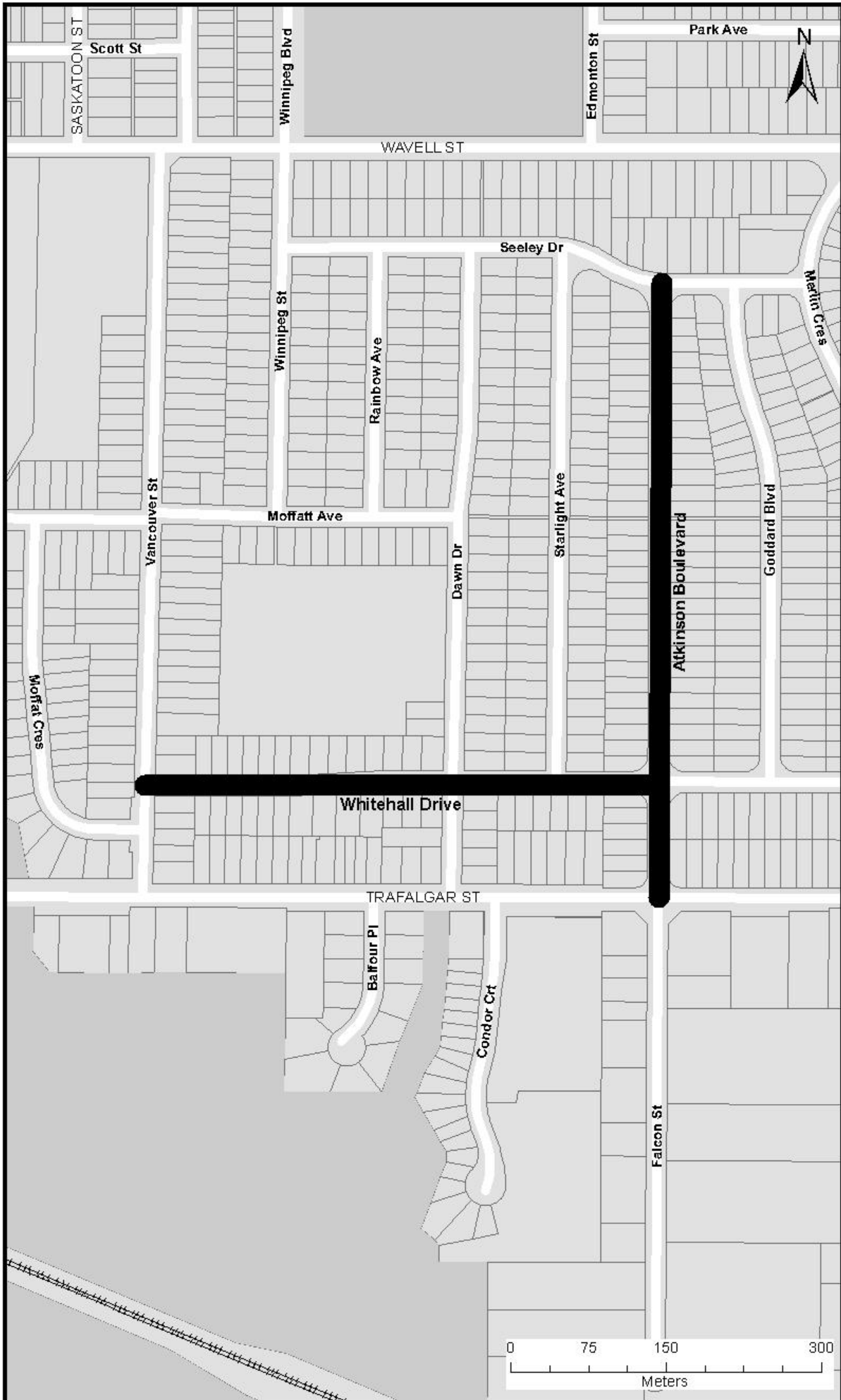
Estimated Expenditures	Approved Budget	Committed To This Date	This Submission	Balance for Future Work
EW356319 - Main Rehabilitation				
Construction	9,190,570	8,077,119	986,485	126,966
City Related Expenses	1,180	1,180	0	0
EW356319 Total	9,191,750	8,078,299	986,485	126,966
EW356321 - Watermain Rehabilitation and Relining				
Construction	5,120,000	0	5,120,000	0
Total Expenditures	\$14,311,750	\$8,078,299	\$6,106,485	\$126,966
Sources of Financing				
EW356319 - Main Rehabilitation				
Capital Water Rates	9,046,483	8,078,299	968,184	0
Drawdown from Capital Water Reserve Fund	145,267	0	18,301	126,966
EW356319 Total	9,191,750	8,078,299	986,485	126,966
EW356321 - Watermain Rehabilitation and Relining				
Capital Water Rates	5,120,000	0	5,120,000	0
Total Financing	\$14,311,750	\$8,078,299	\$6,106,485	\$126,966
Financial Note:				
	EW356319	EW356321	Total	
Contract Price	\$969,423	\$5,031,447	\$6,000,870	
Add: HST @13%	126,025	654,088	780,113	
Total Contract Price Including Taxes	1,095,448	5,685,535	6,780,983	
Less: HST Rebate	-108,963	-565,535	-674,498	
Net Contract Price	\$986,485	\$5,120,000	\$6,106,485	

Jason Davies
Manager of Financial Planning & Policy

Appendix B Location Maps 2021 Watermain Cleaning and Lining

Project Limits:

Whitehall Drive, Atkinson Boulevard



Appendix B Location Maps 2021 Watermain Cleaning and Lining

Project Limits:

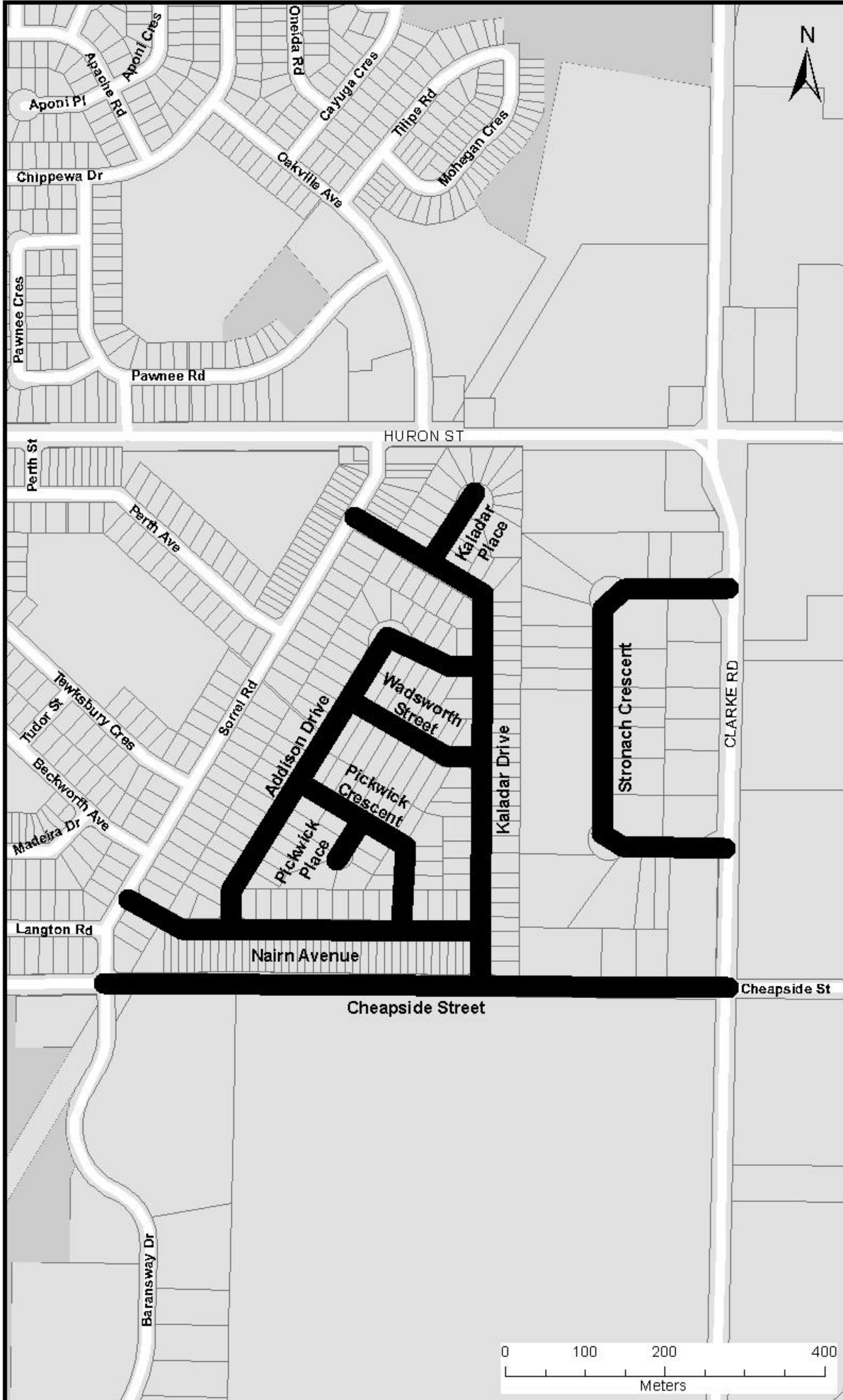
Kiwanis Drive, Borden Street



Appendix B Location Maps 2021 Watermain Cleaning and Lining

Project Limits:

Cheapside Street, Kaladar Drive, Addison Drive, Nairn Avenue, Wadsworth Street, Pickwick Crescent, Pickwick Place, Kaladar Place, Stronach Crescent



Appendix B Location Maps 2021 Watermain Cleaning and Lining

Project Limits:

Howland Avenue, Mardell Place, Rushland Avenue, Dixie Street, Dale Street, Hartlett Street



Appendix B Location Maps 2021 Watermain Cleaning and Lining

Project Limits:

Highway 401 Right of Way at Westminster Drive and White Oak Road

