



Date: September 11, 2023

To: Mayor and Council

Author: Shaun Martinho, Manager of Public Works and Environmental Services

RE: Watermain Relocation- Division Road at Highway 3

RECOMMENDED ACTION

1. That the Watermain Relocation- Division Road at Highway 3 Tender **BE AWARDED** to SheaRock Construction Group Inc. in the amount of \$990,000.00 (excluding HST) and the Mayor and Clerk **BE AUTHORIZED** to execute the requisite agreement.

BACKGROUND

On February 5th, 2021, the Town received notification from the Ministry of Transportation (MTO) of a watermain that conflicts with the planned widening and realignment of Highway 3. The watermain is a major feed for the Northwest portion of the Union Water Supply System (UWSS) and it supplies water to Cottam, Essex, and Lakeshore. Currently, the watermain crosses under the Highway along Division Road (County Road 29), but its current depth of bury places it in conflict with the new infrastructure required for the highway expansion. Administration has been working with UWSS and MTO representatives to plan for this project and during the 2023 budget deliberations, \$1.1 million was approved to complete the required watermain relocation.

DISCUSSION

The tender for this project was advertised on July 26, 2023 and closed on August 9, 2023. The four (4) bids (excluding HST), that were received are as follows:

Contractor / Vendor Name	Bid Amount
SheaRock Construction Group Inc.	\$990,000.00
D'Amore Construction(2000) Ltd.	\$1,125,000.00
GIP Paving Inc.	\$1,202,530.00
Sherway Contracting (Windsor) Limited	\$1,267,890.00

SheaRock Construction Group Inc. is able to satisfy requirements relating to experience with similar projects, bonding, and insurance while providing the lowest cost proposal. Therefore, the recommendation is to proceed with this vendor. RC Spencer and

Associates has also endorsed this recommendation (see the Appendix for their tender review letter). If approved, construction would commence at the end of the month and last approximately eight (8) weeks.

FINANCIAL CONSIDERATIONS

The 2023 capital budget included \$1.1 Million to relocate the watermain under the Highway. The table below provides a summary of project costs (excluding HST):

Description	Cost
Construction Costs	\$890,000.00
Contingency	\$100,000.00
TOTAL	\$990,000.00

Given the importance of this critical asset, the Town, in partnership with UWSS, will take the lead on this project. However, a formal agreement has been reached by which the MTO will pay for all the required watermain work. Payment conditions include 50% of the estimated project cost upfront, with the remaining paid for after substantial completion.

ENVIRONMENTAL CONSIDERATIONS

Not Applicable

CONSULTATIONS

Union Water Supply System
Legal, Building, and By-law Enforcement
Financial and IT Services

PREPARED BY:



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REVIEWED BY:



John Norton
Chief Administrative Officer

