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Date: November 14, 2017
To: Mayor and Council
Author: Kevin Girard, Manager of Municipal Services
RE: Contract No. MS17-202 - County Road 18 Watermain Extension
Report No.: MS 2017-53

AIM

This report is presented to obtain Council's authorization to award the contract for the County Road 18 Watermain Petition for M&M Farms.

BACKGROUND

In early April 2016, Municipal Services was contacted by Mr. Mike Mastronardi of M&M Farms Ltd in order to facilitate next steps to proceed with a planned 24 acre hydroponic tomato greenhouse development. The development is to be located on vacant farm land described as Con 3ED PT LOT 11 RP Road 4 East (CR18) immediately east of Sun-Brite Canning.

As per report number MS 2017-24 and Council's resolution as follows:

M & M Farms Ltd Water Works Petition Next Steps

387-2017

*Moved by Councillor Larry Patterson
Seconded by Councillor Tony Gaffan*

Council authorizes Municipal Services to proceed to the next step in the M&M Farms Water Works Water Petition process; being to authorize final plan and specification preparation, and tendering in accordance with the defined steps pursuant to the Water Works Policy as previously endorsed by Council.

CARRIED

The Municipal Services Department carried out the tendering process in accordance with the Town's procurement and water works petition policies.

DISCUSSION

During the engineering phase of the project, it was realized that the use of this project for the potential upsizing of the requested watermain, for the Town's benefit, could be undertaken. The Town's Engineer, Stantec Consulting, had determined that M&M Farms Ltd, required a 250mm diameter watermain for the supply of the greenhouse facility. Further investigation was undertaken to explore the benefit of upsizing the 250mm diameter line to 300mm in order to increase the capacity of the watermain. This would accommodate an estimated 30% capacity increase for future growth in the area. After consultation with the Town's Planning department, there are potential developable lands in the area that could have the use for this watermain in the future.

With the potential to upgrade in mind, Stantec was requested to tender the project as a 250mm diameter watermain with a provisional option to upsize the line to a 300mm diameter watermain.

LINK TO STRATEGIC PLAN

Support growth of the business community.
To become a leader in sustainable infrastructure renewal and development.
Manage growth through sustainable planning.

FINANCIAL CONSIDERATIONS

Using the Town's electronic tendering system, the following results (not including HST) were received for the MS17-202 contract:

Bidder	250mm Dia.
Coco Paving	\$510,125.30
D'Amore Construction	\$514,796.00
Major Construction	\$615,625.50
SLR Contracting	\$624,616.00
J&J Lepera	\$627,625.00
Sherway Contracting	\$698,730.80
Amico Infrastructures	\$714,950.00
SheaRock Construction	\$806,635.00

Should Council agree to authorize the lowest bidder in accordance with Stantec's letter of recommendation found in the attached, the total a cost awarded to Coco Paving would be in the amount of \$510,125.30 (plus HST). This includes approximately \$59,700 in allowances in contingencies.

As stated in Municipal Services report 2017-24, Mr. Mike Mastronardi has acknowledged and further agreed to the costs identified in the M&M Farms Ltd. Water Works Petition – Engineers Report dated May 1, 2017. As the sole petitioner, M&M Farms would be solely

responsible for 100% of the total costs of the watermain in the amount of \$510,125.30 (plus HST).

As mentioned in the discussion section, there was a provision in the tender to provide the Town to upsize the diameter of the watermain to 300mm. The cost of this upgrade would be in the amount of \$536,959.20 (plus HST). Should Council agree to upsize the watermain from a 250mm to 300mm watermain, the costs to the Town for the difference would be as follows:

300mm diameter watermain	\$ 536,959.20
<u>250mm diameter watermain</u>	<u>\$ 510,125.30</u>
Subtotal	\$ 26,833.90
<u>HST Burden</u>	<u>\$ 472.28</u>
Total Impacting 2018 Budget	\$ 27,306.18

CONSULTATIONS

Municipal Services Department
Financial Services Department
Planning and Developmental Services Department
Stantec Consulting

RECOMMENDATION

That Council:

1. Receive the letter of recommendation from Stantec Consulting and authorize the award of Contract Number MS17-202 for the County Road 18 Watermain Extension to Coco Paving in the amount of \$536,959.20 (not including HST).
2. Pre-approve the oversizing capital cost of \$26,833.90 (not including HST), which will form part of the 2018 Water Capital Budget and be funded by a transfer from the Water Future Waterline Maintenance Reserve.
3. Direct administration to prepare the necessary authorizing by-law.

Respectfully submitted,

Kevin J. Girard

Kevin J. Girard, P.Eng
Manager of Municipal Services

G.A. Plancke

G.A. Plancke, Civil Eng. Tech (Env.)
Director of Municipal Services

Peggy Van Mierlo-West

Peggy Van Mierlo-West, C.E.T.
Chief Administrative Officer