

## Staff Report

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**Report To:** City Council  
**Report From:** Bradey Carbert, Manager of Corporate Services  
**Meeting Date:** May 26, 2025  
**Report Code:** CR-25-074  
**Subject:** Award of RFT-25-008 – 9th Ave E – Road Rehabilitation  
and Watermain Replacement – Superior St to 6th St E

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### Recommendations:

THAT in consideration of Staff Report CR-25-074 respecting Award of RFT-25-008 – 9<sup>th</sup> Avenue East – Road Rehabilitation and Watermain Replacement – Superior Street to 6<sup>th</sup> Street East, City Council:

1. Awards the above noted Tender to E.C. King Contracting, a Division of Miller Paving Limited, the lowest compliant bid received for \$4,454,645.51 including the non-refundable allocation of HST; and
2. Directs staff to bring forward a by-law to authorize the Mayor and Clerk to execute the agreement.

### Highlights:

- The City has qualified for Connecting Link funding to rehabilitate 9th Avenue East/Highway 6/10 – Superior St. to 6th St. E.
- The replacement of the watermain on 9<sup>th</sup> Ave. between Superior St. and 6<sup>th</sup> St. E. is phase 1 of 3 for the replacement of watermain between Superior St. and 10<sup>th</sup> St. E.
- The City will continue to apply for Connecting Link funding for future phases of this project in order to reduce the tax-supported costs associated with the projects.

## **Strategic Plan Alignment:**

[Strategic Plan](#) Priority: This report supports the delivery of Core Service.

## **Climate and Environmental Implications:**

This supports the objectives of the City's Corporate Climate Change Adaptation Plan by strengthening the resiliency of City infrastructure or services.

## **Previous Report/Authority:**

The project mentioned above was approved in the 2025 Capital Budget. A copy of the budget sheet has been attached to this report.

The project design was presented to the Grey County Joint Accessibility Advisory Committee on May 15<sup>th</sup>, 2025.

## **Background:**

In accordance with the City's Procurement of Goods, Services, Construction, and Consulting Policy (By-law 2020-002), the award of all purchases above \$250,000 must be approved by Council.

This report has been drafted to provide Council with the necessary information to approve the award of Tender RFT-25-008 - 9<sup>th</sup> Avenue East – Road Rehabilitation and Watermain Replacement – Superior Street to 6<sup>th</sup> Street East. The capital detail sheet describing the project has been attached to this report.

## **Analysis:**

The scope of work will include the supply of equipment, materials, and labour for the road rehabilitation and watermain replacement from Superior Street to 6<sup>th</sup> Street East, including:

- Removal and replacement of approximately 763 m of watermain, including water services and hydrants.
- Removal and replacement of approximately 651 m of storm sewer, including structures.
- Removal and replacement of approximately 209 m of sanitary sewer, including sanitary services and structures.

- Full depth road reconstruction, pavement markings and signage.
- Removal and replacement of traffic signals and intersection lighting at the 9th Avenue E/6th Street E intersection.
- Reinstatement of all disturbed areas to existing condition or better.

The project schedule will be divided into 2025 and 2026 work, in anticipation of all work being completed by summer 2026.

Staff retained Tatham Engineering Inc. as the consultant to complete the project's design, including engineering administration and inspection services.

The above-mentioned tender was posted in compliance with the City's Purchasing By-law on April 9, 2025, and closed on May 6, 2025; four compliant bids were received.

The bids received, including the non-refundable allocation of HST, are as follows:

<b>Company Name</b>	<b>Bid Price</b>
E.C. King Contracting	\$4,454,645.51
Walker Construction Limited	\$5,061,735.54
Moorefield Excavating	\$6,064,413.05
Bridge Excavating Ltd.	\$6,077,135.03

The tender submission from E.C. King Contracting is the lowest compliant Bidder and is recommended for Tender Award by Tatham Engineering Inc. and the City.

The tender includes a \$530,000 contingency allowance for any unforeseen conditions during the construction period. The contingency allowance shall not be expended without the City's written consent.

The construction period has a substantial completion date for Part A of October 24, 2025 and for Part B of August 7, 2026.

As an update pursuant to the Accessibility Advisory Committee review, the Committee accepted the justification for using the exception clauses (due to space constraints and underground utility location) and recommended deleting the south and west crosswalks due to snow removal concerns. This will not represent a major change to the contract and will be managed

through a change order. The resulting cost variance from the change will be reflected in the final project expenses.

### **Financial Implications:**

The approved construction budget for the rehabilitation project is \$4,935,300 and is funded from the following sources:

- \$2,700,000 from the Connecting Link funding grant;
- \$2,808,000 from Water Rates;
- \$88,300 from Wastewater Rates; and
- \$549,000 from the Tax Levy.

The updated cost estimates, based on the recommended bid submission, including the non-refundable allocation of HST, are as follows:

<b>Item</b>	<b>Budget</b>	<b>Funding Required</b>	<b>Variance</b>
Construction	\$4,935,300	\$3,924,650	\$1,010,650
Contingency	\$530,000	\$530,000	-
Engineering Consulting Services	\$645,000	\$645,000	-
In-House Engineering	\$35,000	\$35,000	-
<b>Total</b>	<b>\$6,145,300</b>	<b>\$5,134,650</b>	<b>\$1,010,650</b>

The updated funding based on the award design/engineering and the recommended bid submission, including the non-refundable allocation of HST, is identified in the table below. The recommended funding has been forecasted based on the allocation of engineering and contingency expenses by asset class.

<b>Description</b>	<b>Approved Funding</b>	<b>Recommended Funding</b>	<b>Difference</b>
MTO Connecting Link	\$2,700,000	\$2,700,000	-
Water Rates	\$2,808,000	\$1,408,640	\$1,399,360
Wastewater Rates	\$88,300	\$266,770	(\$178,470)
Tax-Supported	\$549,000	\$759,240	(\$210,240)
<b>TOTAL</b>	<b>\$6,145,300</b>	<b>\$5,134,650</b>	<b>\$1,010,650</b>

The surplus funding from the construction-related savings for the water user supported funding will be allocated to the appropriate reserve at the completion of the project. The allocation of reserve funds will be considered in future multi-year capital plan updates.

The wastewater user supported funding shortfall is recommended to be funded through the wastewater capital reserve at the completion of the project. There is sufficient funding in the reserve to accommodate this shortfall.

The tax-supported funding shortfall is recommended to be funded through the capital reserve at the completion of the project. There is sufficient funding in the reserve to accommodate this shortfall.

### **Communication Strategy:**

The above-noted tender was posted on the City's Bids & Tenders webpage on April 9, 2025, in compliance with the City's Purchasing By-law to be accessible to all potential bidders.

The City will communicate any impacts and closures to the public during the construction period.

**Consultation:**

Tatham Engineering  
Director of Public Works and Engineering  
Manager of Engineering  
Engineering Technologist  
Grey County Joint Accessibility Advisory Committee

**Attachments:**

Capital Budget Detail Sheet – 25P.10 – 9<sup>th</sup> Ave E – Road Rehabilitation and  
Watermain Replacement – Superior St to 6<sup>th</sup> St E

**Recommended by:**

Bradey Carbert, Manager of Corporate Services  
Kate Allan, Director of Corporate Services

**Submission approved by:**

Tim Simmonds, City Manager

For more information on this report, please contact Bradey Carbert, Manager  
of Corporate Services at [bcarbert@owensound.ca](mailto:bcarbert@owensound.ca) or 519-376-4440 ext.1240.