

STAFF REPORT

Department: Environmental Services and Special Projects

Date: February 4, 2025

Item: Tender Award for Connecting Link Phase 4

Recommendation: Be It Resolved That: The tender for the Connecting Link Phase 4 be awarded to GIP with an upper contract limit of \$6,153,404 including non-rebatable taxes. Be It Further Resolved That: Debt be undertaken to a maximum of \$1,100,000 to fund any portion of the project that cannot be funded from reserve given that the total municipal commitment has increased from the original estimate by approximately \$1,100,000.

Background:

- In fall of 2023 Council supported the application for the 2024-2025 Connecting Link Application to complete the next phase of Centre Street from Station Road to Tudhope.
- The Province has committed a maximum contribution of \$3,000,000 for this project.
- The project will replace 315 m of watermain. The sanitary sewers are in good shape but will require the replacement of approximately 80 m of pipe and 105m of storm sewer and 5 structures. The traffic lights will be upgrade to meet the AODA standards and upgrade to the buried street light infrastructure.
- Water and sewer work to be funded from the water and sewer rates.
- The project is expected to commence spring of 2025 and completed in the mid October 2025.
- 7 Contractors qualified for bidding with the municipality receiving 5 bids.



Analysis:

➤ Engineer's estimate	\$5,223,103	(HST not included)
➤ GIP	\$6,046,976.57	(HST not included)
MCA Contracting	\$6,265,164.69	(HST not included)
Terra North LTD	\$6,277,074.60	(HST not included)
Garson Pipe Contractors	\$6,693,099.85	(HST not included)
Belanger	\$7,336,457.81	(HST not included)

➤ Total financial commitment:

GIP	\$6,046,976.57
RVA Contract Administration	<u>\$455,000.00</u>
Sub-total	\$6,501,976.57
HST @ 1.76%	<u>\$114,434.79</u>
Total project cost before funding	\$6,616,411.36
Funding	<u>\$3,000,000.00</u>
Municipal commitment	\$3,616,411.36

- GIP recently acquired Interpaving LTD. Interpaving LTD has not been a general contractor for the municipality for many years, having said that, GIP has a long history of working with staff on most if not all off our projects in the last decade as a subcontractor for pavement, curb and sidewalks.

Existing Policy: Procurement Policy

Strategic Goal: #3 Infrastructure: infrastructure that serves existing and new development. #6 Town government, Effective municipal governance and operations.

Financial Commitment: The 2024 capital budget committed \$2,553,649 from reserves for this project. The project has come in at a total municipal contribution of \$3,616,411.36. The project includes a contingency of \$695,000 (not including HST). Similarly, other projects that are budgeted for in the capital budget may include contingencies. Therefore, this is why it is recommended that debt be undertaken to fund any portion of the project that cannot be funded from reserve if needed up to \$1,100,000 as the total can vary based on a variety of factors and availability of reserves can fluctuate.

Budgeted: **Yes** **No**

Implementation: contract will be executed upon Council approval

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CAO/Clerk: Joseph Burke

Approval of Recommendation: Yes No

Comments: