
MANAGEMENT REPORT

Date: June 12, 2023
To: Mayor and Council
From: Nick Sheldon, Project Manager
Report #: COU23-074
Attachments: T-2023-13 Bid Summary

Title: T-2023-13 Erie Street Watermain Relining Tender Award

Objective: To obtain Council approval to accept the low bid from Fer-Pal Construction Ltd. of \$1,498,876.07 including HST, for the Erie Street Watermain Relining Contract T-2023-13.

Background: The existing watermain on Erie Street from Monteith Avenue to Cambria Street is 510 metres in length, was constructed of 150mm diameter cast iron in 1912 and has been subject to twenty-two circumferential breaks since 1990. These watermain failures result in disruption to residents, and a financial burden related to unplanned repairs. In 2018 the City of Stratford retained GM BluePlan Engineering to complete a city-wide Water Infrastructure Evaluation and Needs Assessment. This report indicated the fire hydrant flows on Erie Street are insufficient for fire fighting requirements and recommend rehabilitation or replacement of the watermain.

In 2022 and 2020 the Engineering Division successfully completed rehabilitation projects on Willow Street and Romeo Street North with a Cured-In-Place Pipe (CIPP).

The Engineering Division proposes to build on experience and rehabilitate the Erie Street watermain using a CIPP lining technology. CIPP lining is a cost-effective trenchless solution that lines the inside diameter of the existing pipe with a composite material. The stand-alone structural liner withstands loads and internal pressures without relying on the residual strength of the existing pipe. The CIPP lining material is designed and manufactured to meet all drinking water requirements.

The project will also include replacing of eleven water services which were constructed of substandard piping material, the rehabilitation of the CN Rail watermain crossing and associated coordination.

This project is strategically scheduled in advance of the Erie Street asphalt resurfacing scheduled for 2024. April 11, 2023, the City of Stratford was notified that it will receive

the provincial Connecting Link funding that was applied for in 2022 (COU22-076, October 11, 2022).

Analysis: There were a total of eight contractors that picked up plans for the project, with two submitting an official bid. The low bid of \$1,498,876.07 including HST was provided by Fer-Pal Construction Ltd. The total after the Partial HST Rebate is \$1,349,784.33.

Fer-Pal Construction Ltd. has been actively installing CIPP in watermain for over 15 years. They have completed over 650 projects and have lined over 2,500,000 metres of pressurized potable watermain in Canada and United States.

The estimated total project costs are:

Construction Contract (after HST rebate)	\$	1,349,784.33
Material Testing	\$	10,000.00
Total	\$	1,359,784.33

This amount exceeds the 2023 budget of \$675,000 by \$684,784.33. Discussions with the contractor have identified the additional costs can mainly be attributed to lead service replacement and restoration (\$250,000), increased watermain appurtenances costs (\$75,000) and co-ordination and permitting for the CN crossing (\$45,000). It is proposed to fund the shortfall amount from the City's available 2023 OCIF allocation.

The proposed funding is as follows:

Water Reserve	\$	600,000.00	R-R11-WATR
Public Works Capital Reserve	\$	75,000.00	R-R11-PWCA
Provincial Funding	\$	700,000.00	R-R11-OCIF
Total	\$	1,375,000.00	

Financial Implications:

Financial impact to current year operating budget:

It is recommended that the project proceed and that the 2023 budget shortfall of approximately \$684,784.33 be funded from the OCIF Reserve, R-R11-OCIF. The remainder of the 2023 OCIF allocation is utilized for the Albert Street Reconstruction project.

Financial impact on future year operating budget:

Proactive rehabilitation and replacement of City assets ensure infrastructure remains in a state of good repair mitigating the financial risk of unplanned repairs.

Link to asset management plan and strategy:

This project represents a rehabilitation of an asset maintained in the asset management plan. As the planned actions will extend the useful life of the current infrastructure by an additional 50-years, there is no deletion of the asset, simply an addition to the current asset. Asset replacement and significant rehabilitation activities that extend the useful life are planned for based on estimated useful life. The adjustment to the asset management plan will impact future capital planning forecasts and funding strategies will be updated accordingly.

Alignment with Strategic Priorities:**Developing our Resources**

Optimizing Stratford's physical assets and digital resources. Planning a sustainable future for Stratford's resources and environment.

Alignment with One Planet Principles:**Land and Nature**

Protecting and restoring land for the benefit of people and wildlife.

Sustainable Water

Using water efficiently, protecting local water resources and reducing flooding and drought.

Material and Products

Using materials from sustainable sources and promoting products which help people reduce consumption.

Zero Waste

Reducing consumption, reusing and recycling to achieve zero waste and zero pollution.

Staff Recommendation: THAT the Tender (T-2023-13) for the Erie Street Watermain Relining Contract, be awarded to Fer-Pal Construction Ltd. at a total tender price of \$1,498,876.07, including HST;

AND THAT the Mayor and City Clerk, or their respective delegates, be authorized to sign the necessary Contract Agreement for the Erie Street Watermain Relining project T-2023-13.

Prepared by:

Nick Sheldon, Project Manager

Recommended by:

Taylor Crinklaw, Director of Infrastructure and
Development Services
Joan Thomson, Chief Administrative Officer