



## MANAGEMENT REPORT

**Date:** April 8, 2024  
**To:** Mayor and Council  
**From:** Nick Sheldon, Project Manager  
**Report Number:** COU24-037  
**Attachments:** None

---

**Title:** T-2024-09 Kenner Crescent Watermain Relining Tender Award

**Objective:** To obtain Council approval to accept the bid from Fer-Pal Construction Ltd. of \$659,750.50 including HST, for the Kenner Crescent Watermain Relining Contract T-2024-09.

**Background:** The existing watermain on Kenner Crescent is 340 metres in length, was constructed of 150mm diameter ductile iron in 1977 and has been subject to reoccurring circumferential breaks. These watermain failures result in disruption to residents, and a financial burden related to unplanned repairs.

Watermains typically have a 50-to-100-year useful life, depending on the material. This asset was initially set up with a 50-year useful life, but the industry expectation is higher. While at the end of its useful 'book' life, operationally, the one in question is failing prematurely and requires attention now.

The existing water services connection are constructed of copper and installed below the usual frost depth, eliminating the need for replacement currently (non-lead and not susceptible to freezing). The storm sewer, sanitary sewer, and road infrastructure on Kenner Crescent is in excellent condition, requiring no immediate repairs or replacements. Therefore, the Engineering Division is opting for Cured-In-Place Pipe (CIPP) techniques over traditional open-cut construction to address watermain breaks. This minimizes the road disruption and ensures a more cost-effective method to target underground infrastructure repairs and rehabilitation work.

In 2023, 2022 and 2020 the Engineering Division successfully completed watermain rehabilitation projects on Erie Street, Willow Street and Romeo Street North with a Cured-In-Place Pipe (CIPP).

The Engineering Division proposes to build on experience and rehabilitate the Kenner Crescent 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.

**Analysis:** There were a total of seven contractors registered for the project, with one submitting an official bid. The bid of \$659,750.50 including HST was provided by Fer-Pal Construction Ltd. The net cost to the City after the partial HST rebate is \$594,125.75.

Fer-Pal Construction Ltd. has been actively installing CIPP in watermains for over 18 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)	\$	594,125.75
Material Testing	\$	10,000.00
<hr/> Total	<hr/> \$	<hr/> 604,125.75

The 2024 capital budget contains a total of \$700,000 for this project to be funded as follows:

Water Reserve R-R11-WATR	\$	700,000.00
<hr/> Total	<hr/> \$	<hr/> 700,000.00

Therefore, approximately \$96,000 is expected to be unspent from the initial budget estimate which will remain in the Water Reserve for future capital expenditures.

**Financial Implications:**

**Financial impact to current year operating budget:**

The anticipated project surplus will not impact the overall 2024 budget as the funding is from existing reserve funds.

**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. Therefore, operating costs in future years are anticipated to be low.

**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 are expected to 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-2024-09) for the Kenner Crescent Watermain Relining project be awarded to Fer-Pal Construction Ltd. at a total price of \$659,750.50, including HST;**

**AND THAT the Mayor and City Clerk, or their respective delegates, be authorized to sign the necessary Contract Agreement for the Kenner Crescent Watermain Relining project (T-2024-09).**

**Prepared by:** Nick Sheldon, Project Manager

**Recommended by:** Taylor Crinklaw, Director of Infrastructure Services  
Joan Thomson, Chief Administrative Officer