

**Region of Waterloo**

**Corporate Services**

**Treasury Services (Procurement)**

---

**To:** Regional Council

**Meeting Date:** June 22, 2022

**Report Title:** T2022-121 (Under PQ2022-01) - New Hamburg to Baden Transmission Watermain, Nith River Crossing (Horizontal Directional Drilling), Township of Wilmot, Ontario

---

**1. Recommendation:**

That the Regional Municipality of Waterloo take the following action regarding T2022-121 (Under PQ2022-01) - New Hamburg to Baden Transmission Watermain, Nith River Crossing (Horizontal Directional Drilling), Township of Wilmot, Ontario, as set out in report COR-TRY-22-59 dated June 22, 2022:

- a) Accept the tender of AVERTEX Utility Solutions Inc. in the amount of \$1,079,970.00 plus all applicable taxes;
- b) Amend the budget for project 04086 to advance funds in the amount of \$1,000,000 from 2023 to 2022 within the Water Services Capital Program to align with other Regional and Township projects in 2022; and
- c) Increase the 2022 debenture authority for project 04086 (Baden to New Hamburg Transmission Watermain Nith River Crossing) in the amount of \$811,000 for term not to exceed 20 years.

**2. Purpose / Issue:**

Purchasing by-law 16-032 Part IV section 10 (2) requires Council approval for tenders in excess of \$1,000,000.

**3. Strategic Plan:**

Award of this contract meets the 2019-2023 Corporate Strategic Plan objective to protect our water resources (drinking water and wastewater treatment) under Strategic Focus Area 3, Environment and Climate Action.

#### 4. Key Considerations:

- a) Tenders were called for T2022-121 (Under PQ2022-01) - New Hamburg to Baden Transmission Watermain, Nith River Crossing (Horizontal Directional Drilling), Township of Wilmot, Ontario and were advertised in the Record, on the Ontario Public Buyers Association website and on the Region's website. A general contractor pre-qualification was completed for this project (PQ2022-01) and only bids received from the pre-qualified list were accepted.
- b) The following tenders were received:

AVERTEX Utility Solutions Inc	Amaranth, ON	\$1,079,970.00
Robert B. Somerville Co. Limited	King City, ON	\$1,869,750.00
Accurate HD Ltd	New Bothwell, MB	\$2,024,224.00
Earth Boring Co. Limited	Mississauga, ON	\$2,225,453.00

- c) The work under this contract includes the construction of new 450mm diameter transmission watermain in New Hamburg, approximately 198m in length from Bleams Road East at Jacob Street to the end of Riverside Drive, which includes horizontal directional drilling across the Nith River. The remaining watermain is to be installed by open-cut methods. The roads and green space are Wilmot Township owned. This work is one phase of construction of the transmission watermain, which when complete, will allow for flexibility of operation, security of supply, and redundancy in the Baden New Hamburg Water System.
- d) No road closures will be required for this work. Pedestrian access will be maintained throughout the contract duration.
- e) The final date of acceptance for this tender is August 23, 2022.

#### 5. Background:

Nil

#### 6. Area Municipality Communication and Public/Stakeholder Engagement:

Township of Wilmot staff has been consulted and participated in the design of this work. Since the watermain will be installed on Township roads and green space, Township staff has authorized the installation of this transmission watermain.

The residents adjacent to the transmission watermain work were notified of the

planned work in 2021. A second notice will be distributed to these residents prior to construction. Signs with the estimated construction duration and contact information will be placed at each end of the construction zone.

**7. Financial Implications:**

Additional budget approval is required to complete the work.

Detailed Financial Implications tables are included in Appendix A.

**8. Conclusion / Next Steps:**

Subject to Council approval, the work of this contract will begin in July 2022 with substantial completion expected by December 2022.

**9. Attachments / Links:**

[Appendix A](#): Detailed Financial Implications

**Prepared By:** Alex Albrecht, Procurement Specialist

**Reviewed By:** Lisa Evans, Manager, Procurement/Chief Purchasing Officer

**Approved By:** Craig Dyer, Commissioner, Corporate Services/Chief Financial Officer

**Appendix A: Detailed Financial Implications**

T2022-121	\$1,080,000
Contract Administration	150,000
Regional Engineering (HST – NA)	60,000
Geotechnical	<u>10,000</u>
Sub-total	\$1,300,000
Plus: Applicable Net HST of 1.76%	<u>21,800</u>
Total	<u><u>\$1,321,800</u></u>

Note: All figures are rounded to the nearest \$100.

The Region's approved 2022-2031 Water Services Capital Program includes \$3,011,900 in 2022 and \$2,590,000 in 2023 (total \$5,601,900) for Baden New Hamburg Loops (project #04086) to be funded from growth related debentures (64.4%; \$3,607,100) and the Water Development Charge Reserve Fund (35.6%; \$1,994,800). The 2022-2031 capital program included this project in 2023. At the time of budget preparation there were a number of contracts that required co-ordination with other Regional and Township projects. Based on the alignment of projects, this contract is now proceeding in 2022. The total estimated cost of \$1,321,800 is within the 2023 budget allowance.

The intent is to begin and complete most of the work in 2022. In order to achieve this timeline, staff are recommending the 2022-2031 Water Capital Program be amended as set out in [Table 1](#) below:

**Table 1**  
**Baden to New Hamburg Transmission Watermain Nith River Crossing**  
**(Project #04086)**  
**(\$ thousands)**

	<b>2022</b>	<b>2023</b>	<b>Total</b>
Approved 2022-2031 Capital Program	3,012	2,590	5,602
Revised 2022-2031 Capital Program	4,012	1,590	5,602
<b>Required expenditure budget adjustments</b>	1,000	(1,000)	0
Required funding sources adjustments:			
Growth Related Debentures	811	(811)	0
Development Charge Reserve Fund	189	(189)	0
<b>Subtotal funding adjustments</b>	<b>1,000</b>	<b>(1,000)</b>	<b>0</b>