

**Region of Waterloo**

**Corporate Services**

**Treasury Services**

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**To:** Regional Council

**Meeting Date:** April 22, 2026

**Report Title:** Increase to C2024-17 Turnbull Reservoir Upgrades

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**1. Recommendation**

That the Regional Municipality of Waterloo increase the consulting services agreement with CIMA+ for C2024-17 Turnbull Reservoir Upgrades in the amount of \$940,000.00 for a total updated budget of \$1,784,663.70 plus all applicable taxes as set out in report COR-TRY-26-010 dated April 22, 2026.

**2. Purpose / Issue:**

Purchasing by-law 22-034 Section 12 item 1a requires Council to approve the disbursement of additional funds in excess of the greater of \$250,000 or ten percent (10%) of the original contract price.

**3. Strategic Plan:**

Award of this contract meets the 2023-2027 Corporate Strategic Plan priorities; Climate Aligned Growth, and Resilient and Future Ready Organization, ensuring necessary infrastructure renewal work is completed to ensure continued supply of safe drinking water to the community.

**4. Report Highlights:**

- On April 18, 2024, C2024-17 Turnbull Reservoir Upgrades was awarded to CIMA+ in the amount of \$844,663.70 plus all applicable taxes as set out in CPO Report, CPO-24-37.
- The Turnbull Reservoir and pump station are part of the Cambridge Water Supply System within the Region's overall Integrated Urban System (IUS). The scope of this project includes:
  - Infrastructure renewal works of the existing valve houses, pump station suction piping within the reservoir, and reservoir upgrades that include structural, process, instrumentation and site works deficiencies;
  - Process optimization upgrades to accommodate the current and future operation of the reservoir based on operational changes to the Cambridge

- Water Supply System (WSS); and,
- An offline assessment of the reservoir interior and subsequent repairs based on this assessment during the construction stage.
- The original consulting services assignment awarded in 2024 was for design, contract administration and inspection during construction for full reservoir and valve house renewal and included a requirement to complete a process optimization review at the facility as part of the design. The initial consulting assignment estimated that the project would be substantially complete by September 2026.
  - The process optimization review identified several items that were outside the original scope. Most notably, it highlighted the need to expand the valve house footprints to accommodate operational enhancements—such as additional flowmeters and recirculation pumps—as well as safety improvements, including basement stair access, elimination of confined spaces, and dedicated areas for chemical and electrical equipment.
  - Due to the substantial change in construction scope stemming from these changes, the construction period for the project increased from about 35 weeks to 114 weeks, with substantial completion now estimated for August 2028
  - The requested increase of \$940,000 (plus applicable taxes) is required to extend CIMA+'s contract administration and site inspection services to align with the revised construction scope and extended schedule, and to support project delivery through to completion.
  - There are sufficient funds in the Region's approved 2026-2035 Water Capital Program to complete the work under this contract.

## **5. Background:**

On April 18, 2024 C2024-17 Turnbull Reservoir Upgrades was awarded to CIMA+ in the amount of \$844,663.70 plus all applicable taxes as set out in CPO Report, CPO-24-37.

On February 25, 2026, construction contract T2025-112 Turnbull Water Storage Reservoirs Renewal and Upgrades (PQ2025-08), as set out in Finance Report COR-TRY-26-006, was awarded to Stone Town Construction Limited in the amount of \$11,011,173.50 plus all applicable taxes. The construction contract formally commences on April 2, 2026, and completion is anticipated in Spring 2028.

The original CIMA+ proposal allowed for a construction duration of 35 weeks. Based on the final design, a construction staging plan, and schedule developed for the project, 110 weeks of construction from the notice to proceed was specified in the T2025-112 tender. A total of 114 weeks was estimated until takeover.

The extension in construction duration is primarily due to increased complexity and scope of work beyond what was specified in the original 2024 Request for Proposal (RFP). The project scope outlined in the RFP consisted of extensive concrete repairs and replacement of all process components throughout the reservoir and valve houses. Through the process optimization review workshop with Region staff and preliminary design process, it was decided to include a valve house expansion to improve access to valves, chemical system and injection points. Further, it was decided to replace the suction pipe to the south of the reservoirs with new cored connections rather than replacing existing piping within the reservoirs.

The original scope was based on the best-defined needs at the time, and the optimization review (a planned deliverable) revealed and confirmed additional requirements that were not fully knowable until operations and preliminary design were worked through. Therefore, based on this additional scope of work, additional professional services hours are required across project management, administration support, contract administration, and site inspection.

**6. Communication and Engagement with Area Municipalities and the Public**

None.

**7. Financial Implications:**

Increase to C2024-17 Turnbull Reservoir Upgrades	\$940,000
Plus: Applicable Net HST of 1.76%	<u>16,500</u>
Total	<u>\$956,500</u>

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

The Region’s approved 2026-2035 Water Capital Program includes Project 04196 “Concrete Reservoirs Inspection & Renewal” with a budget of \$17,316,000 (\$5,419,000 in 2026, \$6,866,000 in 2027, and \$5,031,000 in 2028). This project is to be funded from the Water Capital Reserve (73%, \$12,640,700) and the Water Development Charge Reserve Fund (27%, \$4,675,300).

Turnbull Reservoir Upgrades is one subproject within the approved Project #04196 Concrete Reservoirs Inspections & Renewals. While the total estimated cost of this subproject (including consulting and construction) is \$14,793,893, the current proposal seeks approval to commit \$956,500 at this time. The remaining \$13,837,393 includes \$844,634 already approved for this vendor and future planned expenditures of \$11,011,173; including project contingency. For all other subprojects the total budget of \$3,017,950 is committed. In total project 04196 is on track to overall budget, and budget by year with no concerns to highlight.

**8. Conclusion / Next Steps:**

Subject to Council approval, the work of this contract will begin April 2026 with substantial completion expected by August 2028.

**9. Attachments:**

None.

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