



*THE CORPORATION OF THE TOWN OF*  
**SAUGEEN SHORES**

## **STAFF REPORT**

Prepared By: Dave Burnside  
Approved By: Ron Brown, CAO \_\_\_\_\_  
Date: July 22, 2009  
Subject: **Concession 10 Storm Sewer**

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### **RECOMMENDATION**

**That Omega Contractors Inc. be awarded the work for the construction of the storm sewers for the Concession 10 Storm Sewer project in the amount of \$1,291,546.27 plus applicable taxes and that the Mayor and Clerk be authorized to sign the necessary contract documents.**

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### **BACKGROUND**

Gamsby and Mannerow Ltd. prepared a tender (Contract M-1536-A) for the construction of the storm sewers for the Concession 10 Storm Sewer project.

The storm sewer project outlets at the bank of Lake Huron and proceeds westerly approximately 1500 metres. The storm sewer system is designed to capture stormwater flows above the 5 year base flows. The base flows will continue to flow unabated to provide groundwater recharge to protect the environment down stream.

In an attempt to solicit favourable discounts off the base price from the concrete pipe manufacturers, aluminized steel pipe was specified along with reinforced concrete pipe for storm sewers that are 1,050mm Ø and larger. The Tenderers were instructed to carry the low price in the bid however the Town had the right to select either product.

Staff are recommending selecting the concrete pipe option even though it will add \$123,697.20 to the Tender cost of the storm sewer for the following reasons:

1. Reinforced concrete pipe (RCP) has internal strength whereas aluminized steel has little internal strength requiring the surrounding soil to carry the load.

2. Reinforced concrete pipe is corrosion resistant, especially important with fluctuating seasonal water levels.
3. Reinforced concrete pipe is produced in Ontario containing more than 90% of raw materials from Ontario.
4. The selection of RCP will assist in the objective of Infrastructure Stimulus Fund to provide economic stimulus across several sectors. The production of reinforced concrete pipe is labour intensive as more value is added to convert the raw materials into the finished product.
5. The initial purchase price of the pipe is only one consideration; serviceability and service life are more important factors when assessing a pipe material.

The Town received seven Tenders as follows: (All prices are for the concrete pipe option)

Omega Contractors Inc.	\$1,291,546.27
Elgin Construction	\$1,422,884.75
Cedarwell Excavating Ltd.	\$1,465,970.41
Tedescon Infrastructure Ltd.	\$1,474,420.00
SMRS Construction	\$1,555,094.34
Brantford Engineering & Construction	\$1,578,000.00
Harold Sutherland Construction Ltd.	\$1,624,147.00

The storm sewer system is designed to allow additional storm sewer capacity to be utilized by Lord Elgin Estates Developments Limited (LEEDL). This capacity in the storm sewer will permit the development to outlet stormwater flows above the pre-development flows. LEEDL will cost share in the project by paying for this capacity. Based on the Tender the estimated cost of LEEDL's capacity is \$203,000.00. The Town is negotiating an agreement with LEEDL for their cost sharing.

Staff is recommending that Omega Contractors Inc. be awarded the work for the construction of the storm sewers for the Concession 10 Storm Sewer project in the amount of \$1,291,546.27 plus applicable taxes and that the Mayor and Clerk be authorized to sign the necessary contract documents.

### **FINANCIAL IMPACT** –

Concession 10 Storm Sewer funded from Infrastructure Stimulus Fund, with 2/3 funding from Federal and Provincial governments. The 1/3 municipal share will be funded through Development Charges and Reserves.