

Municipality of Chatham-Kent
Infrastructure and Engineering Services
Engineering and Transportation Division

To: Mayor and Members of Council

From: Mark McFadden, P.Eng.
Manager, Engineering (Traffic & Underground Infrastructure)

Date: May 11, 2021

Subject: Tender Award: Contract T21-220, Elizabeth Street Sewer Separation, Community of Chatham

Recommendations

It is recommended that:

1. The tender in the amount of \$2,312,929.35, including HST for the Elizabeth Street Sewer Separation, Community of Chatham be awarded to Henry Heyink Construction Ltd.
2. The Mayor and Clerk be authorized to sign the necessary agreement.

Background

In the 1970s, Gore and Storrie Limited Consulting Engineers, were retained to conduct and complete a survey of the municipal sewage systems serving the former City of Chatham. These studies identified, among other things, strategies for the separation of combined sewers. In recent years, the Municipality of Chatham-Kent has continued with the implementation of a proactive program related to the separation of storm and sanitary flows from existing combined sewers. This project is being undertaken as a means of supporting the goals of this program while providing a higher level of service to residents residing within the catchment area.

This project represents a continuation of capital projects associated with the Van Allen Area Storm Sewer System and completed in 1988, 2006, 2008 and 2015. The initial project was completed in 1988 and saw the establishment of a dedicated storm sewer outlet at the Thames River. The initial downstream reaches of storm sewer were also constructed along Van Allen Avenue and terminating immediately north of the intersection with Grand Avenue. The most recent phase of work completed in 2015, saw the reconstruction of Delaware Avenue between McNaughton Avenue East and Gladstone Avenue.

RC Spencer Associates Inc. is carrying out the engineering, contract administration and inspection on this project.

Comments

The sanitary sewer portion of this project consists of removing the existing sanitary sewer and installing approximately 372 metres of 375 mm diameter PVC sewer pipe. A total of 5 manholes and 37 lateral service connections will be installed.

The storm sewer portion of this project consists of approximately 210 metres of 675 mm precast concrete sewer pipe and 190 metres of 525 mm diameter PVC sewer pipe, 4 manholes, and 11 catch basins, all to be replaced. A total of 35 lateral service connections will be installed.

The watermain portion of this project consists of replacing the existing 150 mm diameter watermain with approximately 465 metres of 150 mm diameter PVC watermain. A total of 37 water services and 3 fire hydrants will be replaced.

The concrete sidewalk and paved roadway will be replaced, including the installation of concrete curb through Local Improvement as part of the reconstruction.

The Purchasing Officer received and opened tenders for the work on Thursday, May 6, 2021. The results are as follows:

Bidder	Location	Bid (including HST)
Henry Heyink Construction Ltd.	Chatham, ON	\$2,312,929.35
Nevan Construction Inc.	Kingsville, ON	\$2,424,813.89*
Clarke Construction Inc.	Blenheim, ON	\$2,549,280.00
D'Amore construction (2000) Ltd.	Windsor, ON	\$2,944,893.00

** A mathematical error was corrected but did not impact the tender outcome*

RC Spencer has reviewed the tenders and found them to be complete in all respects. It is the recommendation herein that the contract be awarded to Henry Heyink Construction Ltd. who submitted the lowest tender bid.

Areas of Strategic Focus and Critical Success Factors

The recommendations in this report support the following areas of strategic focus:

- ☐ Economic Prosperity:
Chatham-Kent is an innovative and thriving community with a diversified economy
- ☐ A Healthy and Safe Community: Chatham-Kent is a healthy and safe community with sustainable population growth
- ☐ People and Culture:
Chatham-Kent is recognized as a culturally vibrant, dynamic, and creative community
- ☒ Environmental Sustainability:
Chatham-Kent is a community that is environmentally sustainable and promotes stewardship of our natural resources

The recommendations in this report support the following critical success factors:

- ☐ Financial Sustainability:
The Corporation of the Municipality of Chatham-Kent is financially sustainable
- ☐ Open, Transparent and Effective Governance:
The Corporation of the Municipality of Chatham-Kent is open, transparent and effectively governed with efficient and bold, visionary leadership
- ☐ Has the potential to support all areas of strategic focus & critical success factors
- ☒ Neutral issues (does not support negatively or positively)

Consultation

The tenders were opened by the Purchasing Officer and reviewed by the Engineering and Transportation Division and by RC Spencer Associates Inc.

Financial Implications

This project is being funded through the 2021 Watermain and Sanitary lifecycle budgets by the Public Utilities Commission, as well as the 2021 Road, Storm Sewer and Sidewalk lifecycle budgets as well as Local Improvement charges.

The project summary is set out in the following table:

Financial Implications
T21-220 Elizabeth Street Sewer Separation, Community of Chatham
Project Costs

Description	Total
A) Project Costs	
Recommended Tender	\$2,046,840.13
Plus HST 13%	\$266,089.22
Less HST Rebate 11.24%	\$230,064.83
Total Project Costs	\$2,082,864.52
B) Estimated Project Funding	
2021 PUC Watermain Lifecycle Budget – 17.0%	\$354,086.97
2021 PUC Sanitary Sewer Lifecycle Budget – 23.0%	\$479,058.84
Total PUC Funding	\$833,145.81
2021 CK Roads Lifecycle Budget – 9.7%	\$201,922.39
2021 CK Sidewalk Lifecycle Budget – 4.0%	\$83,314.58
2021 CK Storm Sewer Lifecycle Budget – 43.0%	\$895,631.74
Total Chatham-Kent Funding	\$1,180,868.71
Local Improvement Charges – (3.3%)	\$68,850.00
Total Project Funding	\$2,082,864.52

The low tender bid submitted by Henry Heyink Construction Ltd. was within the budget estimate.

Prepared by:

Reviewed by:

Curtis Lanoue, EIT
Engineering Technologist I
Engineering and Transportation

Mark McFadden, P.Eng.
Manager, Engineering
Engineering and Transportation

Reviewed by:

Reviewed by:

Chris Thibert, P.Eng.
Director, Engineering
Engineering and Transportation

Thomas Kelly, P.Eng., MBA
General Manager
Infrastructure and Engineering Services

Consulted and confirmed the content of the consultation section of the report by:

Tim Sunderland
General Manager
Chatham-Kent Public Utilities Commission

Jennifer Scherle
Purchasing Officer
Financial Services

Attachments: Appendix A – Consultant Recommendation Letter
 Appendix B – Site location map

(RTC:\Infrastructure & Engineering\I&ES\2021\4387 – Tender Award Contract T21-220
Elizabeth Street Sewer Separation



06 May 2021
File No. 20-1057

The Municipality of Chatham-Kent
315 King Street West, PO Box 640
Chatham, Ontario
N7M 5K8

Attn: Mr. Curtis Lanoue, EIT
Engineering Technologist - Engineering and Transportation Division

Re: Tender T21-220 Elizabeth Street Sewer Separation
Community of Chatham, Municipality of Chatham-Kent

Dear Ms. Cooper:

Please accept this correspondence further to the public opening of bids associated with the above cited Tender by CKPurchasing on 06 May 2021.

Four (4) bids were received by CKPurchasing. Copies of select pages of the Forms of Tender were provided to RC Spencer Associates Inc. via municipal staff for further scrutiny. In all instances, the following pages of the Bids were provided:

- Tender Checklist
- Acknowledgement of Addenda
- Form of Tender Pages 11 through 22 inclusive

A summary of the review conducted by RC Spencer Associates Inc. is as follows:

Rank	Bidder and Location	Total Contract Price (including 13% HST)
1	Henry Heyink Construction Ltd. Chatham, Ontario	\$ 2,312,929.35
2	Nevan Construction Inc. Kingsville, Ontario	\$ 2,424,813.89*
3	Clarke Construction Inc. Blenheim, Ontario	\$ 2,549,280.00
4	D'Amore Construction (2000) Ltd. Windsor, Ontario	\$ 2,944,893.00
Note: (*) indicates correction of a mathematical error which did not influence the rank of the bids received.		



RC SPENCER ASSOCIATES INC.
Consulting Engineers

Given the tabulated results and considering the Municipality's criteria for award (namely 100% consideration of cost bid), it is recommended that the award be made to the low bidder, Henry Heyink Construction Ltd. of Chatham, Ontario.

RECOMMENDATION:

That Tender T21-220 Elizabeth Street Sewer Separation, Community of Chatham, Municipality of Chatham-Kent be awarded to Henry Heyink Construction Ltd. of Chatham, Ontario at the bid amount of \$2,312,929.35 (\$2,046,840.13 plus \$266,089.22 HST).

It is our understanding and past experience that Henry Heyink Construction Ltd. has successfully completed numerous similar projects within Southwestern Ontario and possesses the experience to successfully execute and complete the work as required by this Tender.

Should there be any questions or comments, please contact the Chatham-Kent Office of RC Spencer Associates Inc. at your earliest convenience.

Yours Truly,

RC SPENCER ASSOCIATES INC.

Stephen Jahns, P.Eng.
Associate / Chatham-Kent Manager

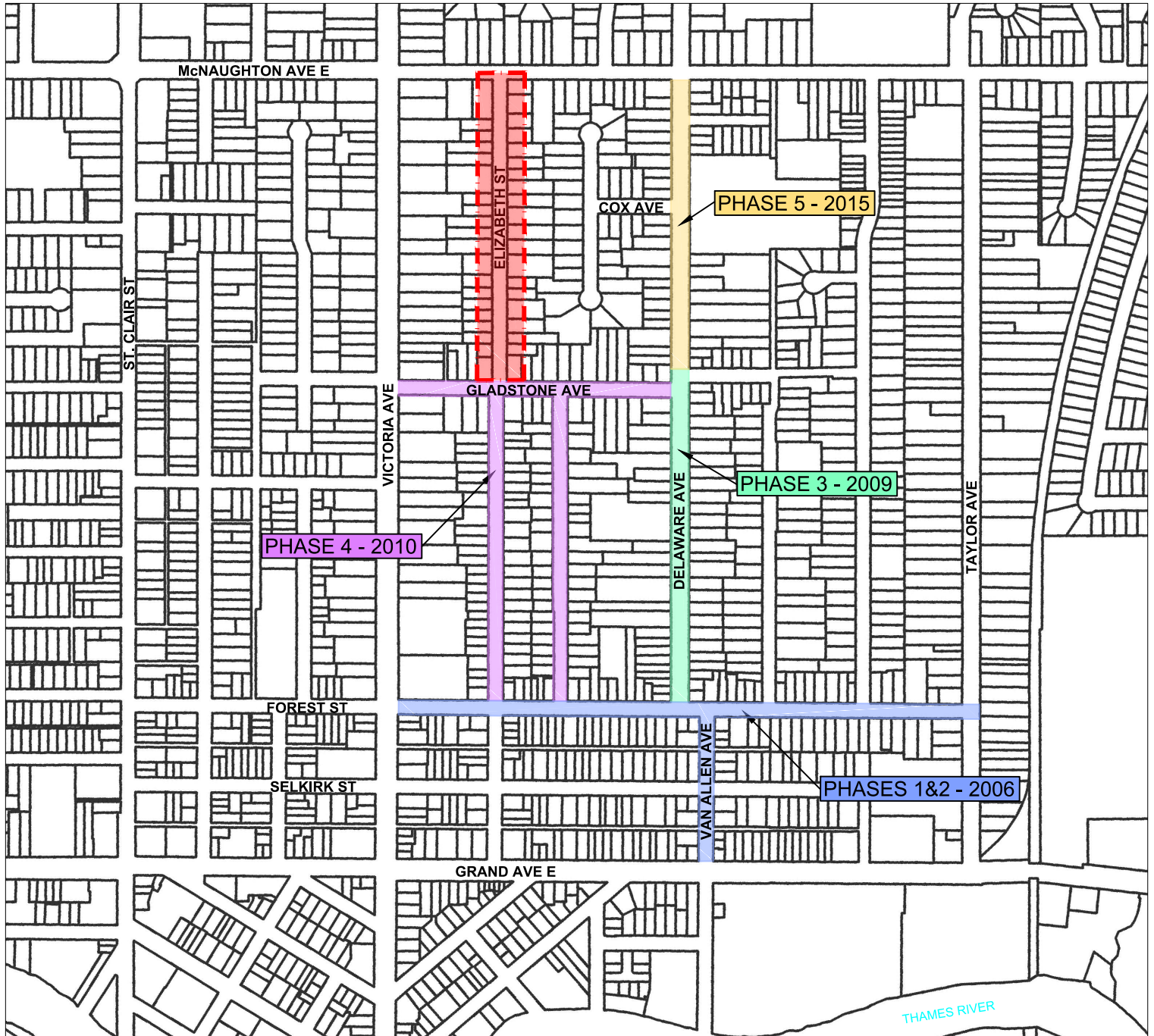
Encl: Bid Summary and Analysis (9 pages)

T21-220 Elizabeth Street Sewer Separation, Community of Chatham

McNaughton Avenue East to Gladstone Avenue

Appendix B - Site Location

Van Allen Area Projects



CURRENT PROJECT EXTENTS - PHASE 6 - CONSTRUCTION IN 2021