

REPORT TO COUNTY COUNCIL

Contract Award – Lansdowne Avenue Sanitary Pumping Station (SPS) and Sanitary Sewer Extension, City of Woodstock

To: Warden and Members of County Council

From: Acting Director of Public Works

RECOMMENDATIONS

1. That County Council award a multi-year construction contract to the low bidder, Stone Town Construction Limited, in the amount of \$6,264,807 (excluding HST) for the Lansdowne Avenue Sanitary Pumping Station and Sanitary Sewer Extension project to be located in the City of Woodstock;
2. And further, that County Council approve consulting engineering services contract with AECOM Canada Ltd, in the amount of \$693,907 (excluding HST), required for the engineering review and construction administration of the Lansdowne Avenue Sanitary Pumping Station;
3. And further, that as part of the multi-year contract award, County Council approve the budgetary commitments of \$2,730,000 in 2025 and \$725,000 in 2026, included in the total contract price cited in Recommendation 1 and Recommendation 2 of this report, in advance of the 2025 and 2026 budget process;
4. And further, that County Council authorize the Chief Administrative Officer and Director of Public Works to sign all documents related hereto.

REPORT HIGHLIGHTS

- The purpose of this report is to obtain County Council approval to award the above noted construction project to Stone Town Construction Limited in accordance with the County's Purchasing Policy, and execute a consulting agreement with AECOM Canada Ltd. (AECOM) which will allow for part-time inspection at critical milestone stages to support County staff with providing construction oversight, engineering review/approvals and contract administration during construction of the new Lansdowne Avenue Sanitary Pumping Station (SPS) and sanitary sewer.

- The new SPS will provide sanitary servicing to accommodate development lands in the City of Woodstock.
- Construction for the SPS and sanitary sewer is expected to commence in 2024, through 2025 and be completed by Q1 2026.

IMPLEMENTATION POINTS

Upon County Council approval, a contract will be executed with the low bidder, Stone Town Construction Limited, prior to proceeding with the work. The consultant agreement with AECOM will be amended to reflect their revised scope of work.

A temporary road closure is expected to facilitate the installation of the sanitary sewer along Lansdowne Avenue. Access to local properties will be maintained, but through traffic will not be permitted during this phase of construction. Detours will be clearly marked and implemented while the sanitary sewer is being installed.

Construction is scheduled to start shortly following tender award and contract execution for completion anticipated in Q1 2026.

Financial Impact

The construction contract and consultant agreement will extend over the remainder of 2024, through the 2025 calendar year, and into the first quarter 2026, requiring a multi-year funding commitment ahead of the 2025 and 2026 budget process. Table 1 provides an overview of the anticipated expenditures and funding sources.

Table 1: Anticipated Project Expenditures for the Lansdowne Avenue SPS (950163)

Account Summary / Description	2024	2025	2026	Total Amount
Lansdowne Avenue SPS Construction Costs	\$100,000	\$5,164,807	500,000	\$5,764,807
Lansdowne Avenue SPS Consultant Costs (2024 YTD Expenditures including estimated unbilled \$215,000)	250,000	533,907	125,000	908,907
Sub Total	350,000	5,698,714	625,000	\$6,673,714
Non-Refundable HST (1.76%)	6,160	100,297	11,000	117,457
Estimated Staff Time & Inspection	50,000	200,000	35,000	285,000
Total Expenditures	406,160	5,999,011	671,000	7,076,171
Business Plan and Budget (including contingency)	3,921,652	2,490,000	675,000	7,086,652
Estimated Development Charges funding	2,816,831	1,739,846	471,645	5,028,322
Estimated Reserve funding	\$1,104,821	\$750,154	\$203,355	\$2,058,330

The development charge funding portion of the Pattullo Industrial Park Sewage Pumping Station (SPS) project was originally anticipated to be debt funded. However, as the Wastewater – Woodstock Development Charges reserve had sufficient funding anticipated in 2024, and with interest rates anticipated to continue declining, the Pattullo SPS project is being funded using available development charge funds. The Lansdowne Ave SPS is estimated to require \$2.3 million in debt funding based on current development charge revenue projections. Should actual revenue fall short of projections the required debt needs will increase.

Table 2: Anticipated Project Expenditures for the Lansdowne Avenue Sanitary Sewer Extension (950164)

Account Summary / Description	2024	2025	2026	Total Amount
Lansdowne Avenue Sanitary Sewer Extension Construction Costs	\$-	\$450,000	\$50,000	\$500,000
Lansdowne Avenue Sanitary Sewer Extension Consultant Costs (Design)	117,500	-	-	117,500
Sub Total	117,500	450,000	50,000	617,500
Non-Refundable HST (1.76%)	2,068	7,920	880	10,868
Estimated Staff Time & Inspection	-	75,000	50,000	125,000
Total Expenditures	119,568	532,920	100,880	753,368
Business Plan and Budget (including contingency)	490,892	165,000	105,000	760,892
Estimated Development Charges funding	349,399	115,302	73,374	538,075
Estimated Reserve funding	\$141,493	\$49,698	\$31,626	\$222,817

Should development charge revenue projections not be realized, actual development charge revenue would continue to be applied to this project, with potential reductions to the amount of actual revenue applied to the SPS project, further increasing the debt requirement.

Both projects were planned as part of the 2024 Business Plan and Budget. Unspent 2024 funds will be carried forward to offset 2025 needs. Annual cost estimates and funding sources will be updated with each business plan and budget cycle. The projects are included in the development charge background study and are 100% growth driven. Although there is no benefit to existing residents from the projects, there is a post period benefit which is unable to be funded by development charges within the current study period. It is this portion that is required to be funded by the Wastewater – Woodstock Reserve. This amount will be eligible within a future development charge study period and development charge funding would then re-plenish the Wastewater – Woodstock reserve at that time.

The Wastewater – Woodstock reserve is anticipated to have sufficient funding over the 3 year period to fund the needs identified in Tables 1 and 2. The Wastewater – Woodstock reserve is not projected to have sufficient funding over the 10-year period for all capital project needs, therefore debt funding will be required. Should unanticipated costs be incurred, or revenue be less than projected, additional debt funding may be required.

Communications

The communication strategy for this project will be similar to other County construction projects. The Contractor's project manager and the County's project manager will form an open channel of communication and will include other members of the project team as needed. These communications will commence upon approval of this report and will continue for the duration of the project.

Oxford County staff has communicated with City of Woodstock staff with respect to the scope of work, planned project schedule, road closure and detours. Additionally, County Public Works staff and City of Woodstock, Engineering Services staff have ongoing communications to discuss capital projects, operational and development-related issues, and the above-noted project has been discussed at these meetings. Ongoing communication is planned with the City prior to and throughout the construction period.

The Notice of Construction letter will be delivered to nearby property owners and business owners, along with posting of construction signage at the project location in advance to alert the general public. During construction road closure, access to properties will be maintained and any interruptions will be communicated in advance. As construction begins, residents and businesses will continue to be informed about road closures and progress through social media, the Oxford County website, and 511 updates.




Staff will continue to work with key internal stakeholders (County Management staff, Transportation staff, Waste Management staff, and Water/Wastewater staff) and external stakeholders during the execution of this project as required to ensure the appropriate level of communication and outreach is maintained, and further ensuring all parties involved are updated on project status and outcomes as needed.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the [2023-2026 Strategic Plan](#) on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council's vision of "Working together for a healthy, vibrant, and sustainable future." These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendations in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
<p>Goal 1.2 – Sustainable infrastructure and development</p> <p>Goal 1.3 – Community health, safety and well-being</p> <p>Goal 1.4 – Connected people and places</p>		<p>Goal 3.1 – Continuous improvement and results-driven solutions</p> <p>Goal 3.2 – Collaborate with our partners and communities</p> <p>Goal 3.4 – Financial sustainability</p>

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

In 2006, the East Woodstock Secondary Plan and Design Study was developed, along with the preferred sanitary servicing strategy, for an approximate area of 187 hectares of industrial and business lands located near Lansdowne Avenue and Oxford Road 4 intersection (see Attachment 1), which will be serviced by the proposed Lansdowne Avenue SPS. The Lansdowne Avenue sanitary sewer extension is also required to service nearby development lands, also shown on Attachment 1. The construction limits of the new sanitary sewer are from approximately 500m west of Oxford Road 4 to approximately 200m west of Oxford Road 4 (approximately 300m in length).

The proposed SPS will be constructed along Lansdowne Avenue (west of the Lampman drain) to support wastewater servicing in the aforementioned area. The SPS is being designed to service an initial development of 80 hectares, along with the ability for expansion to service full build out of the development lands over a 20-year period. The sanitary discharge will be conveyed via one 300mm forcemain westerly along Lansdowne Avenue to an existing maintenance hole along the Northeast Woodstock Trunk Sanitary Sewer.

In 2022, AECOM was retained to provide engineering services associated with the detailed design and planning of the Lansdowne Avenue SPS and in early 2024, AECOM's scope of detailed design work was expanded to include the sanitary sewer extension along Lansdowne Avenue.

By completing the Lansdowne Avenue SPS and sanitary sewer extension at the same time, this work will be consolidated into one construction contract which will save construction costs and time during contract administration, while limiting construction impacts to the local community.

Construction of a new sanitary SPS and sewer extension will support future growth in the region. The construction scope of work generally includes the following:

- Concrete cast-in-place wet well and valve chamber structure;
- Control building;
- Valve chambers installed along the alignment of the existing forcemain;
- Generator for back up power supply;
- Approximately 300 m of sanitary sewer construction on Lansdowne Avenue;
- Road restoration and asphalt paving; and
- Boulevard and right-of-way restoration.

Comments

A prequalification process was completed ahead of the tendering stage of this project. Nineteen contractors expressed interest and ten were pre-qualified. The evaluation of submissions were based on a number of factors including contractors' previous project experience with similar projects of scope and size, overall management team background and experience managing projects of this scale.

Prequalified contractors were eligible to submit bids, and the project was tendered through a competitive bidding process. County staff received the following six bids at tender close on Tuesday, September 24, 2024.

Table 2: Summary of Bid Submissions

Contractor	Bid Amount (Excluding HST)
1. Stone Town Construction Limited	\$6,264,807
2. Finnbilt General Contracting Limited	\$7,070,830
3. Baseline Constructors Inc.	\$7,546,000
4. H.I.R.A. LTD.	\$8,528,850
5. Kingdom Construction Limited	\$8,970,052
6. Clearway Construction Inc.	\$10,559,338

Staff has reviewed bid submissions and confirmed that the lowest compliant bid received from Stone Town Construction Limited, in the amount of \$6,264,807 (excluding HST), represents good value for the work and aligns with the engineer's (AECOM's) construction cost estimate. Stone Town has completed similar infrastructure projects in recent years and has demonstrated resource skill/capacity to complete this work in accordance with specified requirements.

As this project has the possible risks that would be associated with any construction project of this scale and scope, the successful Contractor is also required to secure construction bonds and insurance to mitigate risks related to the exposure of financial loss.

CONCLUSIONS

A review of the competitive bid submissions confirms that awarding the construction contract for the Contract Award – Lansdowne Avenue Sanitary Pumping Station and Sanitary Sewer Extension to the lowest compliant bidder, Stone Town Construction Limited, is appropriate.

Additionally, it is recommended that AECOM's contract for engineering services be amended to provide construction verification at key milestones throughout the project, ensuring that the contractor adheres to the approved design.

SIGNATURES

Report author:

Original signed by

Michael Holstenson, P.Eng., M.Eng.
Project Engineer

Departmental approval:

Original signed by

Melissa Abercrombie, P. Eng., PMP
Acting Director of Public Works

Approved for submission:

Original signed by

Benjamin R. Addley
Chief Administrative Officer

ATTACHMENT

Attachment 1 – Project Location Map