

## REPORT TO COUNTY COUNCIL

# Contract Award – Green Initiatives Construction MURB 2025

**To:** Warden and Members of County Council

**From:** Director of Public Works

## RECOMMENDATION

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1. That Oxford County Council award a contract to the low bidder, Elgin Contracting and Restoration Ltd., in the amount of \$1,225,100 (excluding HST), for Green Initiatives Construction for Multi-Unit Residential Buildings 2025 and authorize the Chief Administrative Officer and Director of Public Works to sign all documents related thereto.

## REPORT HIGHLIGHTS

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- The purpose of this report is to obtain County Council approval to award the above-noted Green Initiatives Construction for Multi-Unit Residential Buildings (MURB) 2025, to the low bidder Elgin Contracting and Restoration Ltd., in accordance with the County's Purchasing Policy.
- The 2024 Energy Management Plan includes measures such as electrification of mechanical equipment, window upgrades, and low-flow water fixtures to reduce energy and greenhouse gas (GHG) emissions at 70 Maria Street, Tavistock and 82 Finkle Street, Woodstock.
- As part of funding received through the Canadian Mortgage and Housing Corporation (CMHC) National Housing Co-Investment Fund program, the County received \$3,222,743 for building upgrades to 12 MURBs selected from within the County's housing portfolio.
- The CMHC project funding requirements include achieving a 25% GHG reduction across the selected buildings included in the funding scope.
- Five MURBs were selected to receive green initiatives upgrades to meet the GHG reduction requirements, with two facilities being completed in 2025 (Stage 1) and three in 2026 (Stage 2).

## IMPLEMENTATION POINTS

Upon County Council approval and prior to proceeding with the work, a contract will be executed with the low bidder, Elgin Contracting and Restoration Ltd. Furthermore, the project team will notify building tenants of the planned work at each location. Due to the scope of work, tenant impacts will be minimal and will not require any clients to be displaced from their unit.

### Financial Impact

The approved 2025 Business Plan and Budget included \$1,340,000 for the completion of this project. The construction costs, other associated costs and capital accounts for this project are summarized in Table 1 below.

Table 1: Funding Summary for Green Initiatives Construction MURB 2025

2025 Capital Budget Summary Account/Description	2025 Budget	Bid Amount (excluding HST)
<b>911006 – Green Initiatives Facilities</b> (Total approved budget: \$1,955,500) (Less other projects and lines: \$615,500)	\$1,340,000	\$1,225,100
<b>Sub-Total</b>	<b>1,340,000</b>	<b>1,225,100</b>
<b>Electrical Service Upgrades; Engineering Review</b>		<b>85,000</b>
<b>Non-Refundable HST (1.76%)</b>		<b>23,100</b>
<b>Total Estimated Construction Expenditures</b>		<b>\$1,333,200</b>

Based on the information provided in Table 1, there is available approved funding in the 2025 Business Plan and Budget to award this contract.

### 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 include other members of the project team as needed. Communications will commence upon approval of this report and will continue for the duration of the project.

Communication with the buildings' tenants will begin when the project approaches the initiation stages. Communication will be in the form of typical resident construction notices delivered by

hand, which will outline work occurring within each individual unit as well as on common building systems.

Upon completion of the project, it is expected that the operational performance results will be presented as part of the County's Annual Energy Report.




## 2023-2026 STRATEGIC PLAN

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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 recommendation in this report supports the following strategic goals.

### Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
<b>Promoting community vitality</b>	<b>Enhancing environmental sustainability</b>	<b>Fostering progressive government</b>
Goal 1.2 – Sustainable infrastructure and development	Goal 2.1 – Climate change mitigation and adaptation	Goal 3.4 – Financial sustainability

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

## DISCUSSION

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### Background

Oxford County currently owns and operates 69 buildings (including apartments, semi-detached facilities, and townhouses) with 660 separate units, which house clients supported by the Human Services department. Each year, through the annual Business Plan and Budget process, the Public Works department, through the Facilities division, allocates funds, in

accordance with the Asset Management Plan, towards maintaining these facilities in a state of good repair to allow continued use by clientele and to maximize cost efficiency.

In November 2023, County Council approved [Report PW 2023-46](#) which authorized planned building improvement spending of \$8 million over three years (2024–2026) to secure funding from CMHC's National Housing Co-Investment Fund program. The planned building improvements being completed as part of this funding opportunity include building renewal work, accessibility improvements, and unit turnover repairs. In addition, a requirement of this program is to reduce GHG emissions across the selected portfolio of MURBs by 25%. A total of 12 MURB facilities were included in the funding scope, with five selected for implementation of GHG reduction upgrades to meet the funding requirement. The remaining seven sites are leveraging the funding for maintenance renewal work for regular building upkeep. Through the funding agreement, the County has secured \$3,222,743 from CMHC to support the planned building improvements.

The County's 2024-2028 Energy Management Plan ([EMP-2024](#)) outlines measures to reduce energy consumption and GHG emissions across the County's facilities, including the five MURBs included in the CMHC funding portfolio. County Council formally adopted these measures on July 10, 2024 as part of [Report PW 2025-25](#).

The five MURBs have been divided into two stages. Stage 1 includes two MURBs located at 70 Maria Street, Tavistock and 82 Finkle Street, Woodstock which are included in this project targeting completion as part of the 2025 budget. The remaining three MURBs are included in Stage 2 and are located at 178 Earl Street, Ingersoll, 135 Carroll Street, Ingersoll and 16 George Street, Norwich. These locations are expected to be tender-ready by the end of this year and will be reflected in the 2026 Business Plan and Budget. As outlined in the funding agreement, all work must be completed by December of 2026.

The initial upgrades at 70 Maria include two new electric domestic hot water (DHW) boilers replacing the existing gas-fired units, an electrical service upgrade, and high-efficiency triple-paned windows, and low-flow water fixtures, including showerheads. These upgrades are estimated to reduce GHG emissions by 12 tCO<sub>2</sub>e, which represents a reduction of about 66% at this location.

Improvements at 82 Finkle Street include replacing the gas-fired make-up air (MUA) unit with an all-electric air source heat pump (ASHP) MUA system, complete with energy recovery and a new exhaust fan. Additional upgrades include an electric DHW boiler replacing the existing gas-fired unit, and an electrical service upgrade, and low-flow water fixtures. These upgrades are estimated to reduce GHG emissions by 36.6 tCO<sub>2</sub>e, which represents a reduction of about 81% at this location.

## Comments

This project, which includes the Stage 1 MURB locations, was tendered through a public competitive bid process, which closed on May 27, 2025, at 2:00 pm. Two bids were received in total, with the bid amounts outlined in Table 2.

Table 2: Summary of Bid Submissions

General Contractor	Bid Amount (excluding HST)
1. Elgin Contracting and Restoration Ltd.	\$1,655,000
2. Tradition Construction Inc.	\$1,850,840

Upon tender opening, the low bid was over budget and staff began further investigation into what was driving the overage. It was determined that the work associated with converting the DHW boilers at 70 Maria Street, coupled with the required electrical service upgrades with EARTH Power, were driving the cost increases above the design estimate. Staff reviewed the GHG impact of this portion of the work and determined that the cost benefit of this work did not bring sufficient value for the County. The funding application project analysis carried some contingency space to ensure that the 25% GHG reduction could be met, with the original target being a 29% reduction. Through further design development, the reduction percentage has increased, so by reducing the scope at 70 Maria Street, the anticipated reduction would now be 28% which still achieves the CMHC target. The revised scope is expected to also achieve an operational utility cost savings of approximately 12%, or \$5,100 per year at 70 Maria Street, as well as a 3.5% reduction, or \$1,400 per year at 82 Finkle Street.

Staff have negotiated with the low bidder in accordance with the Purchasing Policy, and through the elimination of the DHW and associated electrical work, have reduced the contract value by \$429,900 (excluding HST), resulting in a low bid amount of \$1,225,100 (excluding HST). A further pre-tax savings, separate from the contract award, of \$75,647 will also be achieved through eliminating the need for an electrical service upgrade from EARTH Power.

Staff have reviewed the revised bid submission and have confirmed that the low bid received from Elgin Contracting and Restoration Ltd., in the amount of \$1,225,100 (excluding HST), represents good value for the work. This contract award will also allow the County to complete the first stage of the GHG reduction work required for the CMHC funding.

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.

## CONCLUSION

A review of the competitive bid submissions confirms that it is appropriate to award the Green Initiatives Construction MURB 2025 project to the low bidder, Elgin Contracting and Restoration Ltd., of St. Thomas, Ontario, in order to progress the GHG reduction performance required by the previously received CMHC funding.

## SIGNATURES

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### Report author:

Original signed by:

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Nathan E. Gerber, A.Sc.T., CEM, CMVP  
Coordinator of Energy Management

### Departmental approval:

Original signed by:

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

### Approved for submission:

Original signed by

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Benjamin R. Addley  
Chief Administrative Officer