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**Subject:** Award of Contract 2021-T-14 Port Colborne Water Treatment Plant (WTP) Upgrades in the City of Port Colborne

**Report to:** Public Works Committee

**Report date:** Tuesday, December 7, 2021

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## Recommendations

1. That Contract 2021-T-14 Port Colborne Water Treatment Plant (WTP) Upgrades in the City of Port Colborne **BE AWARDED** to Romag Contracting Ltd. at their bid price of \$10,028,750 (including 13% HST)

## Key Facts

- The purpose of this report is to seek Council's approval to award Contract 2021-T-14 Port Colborne Water Treatment Plant (WTP) Upgrades in the City of Port Colborne to Romag Contracting Ltd.
- The Procurement By-Law 02-2016 requires that Council approve tender awards greater than \$5,000,000.
- A competitive tender process was undertaken and three (3) bids were received with the lowest bid being \$8,875,000 (excluding taxes) from Romag Contracting Ltd.
- The Port Colborne WTP requires a sustainability upgrade to meet water demand and Provincial compliance. Upgrades to the plant include; filter underdrains, filter media, air scour, filter consoles, polymer system, various valve replacements, new meeting room, electrical substation, Motor Control Centres (MCCs), lighting transformers, flocculation/settling tank drainage, high lift and low lift pumps.

## Financial Considerations

Project 10CW1314 WTP Upgrade Prg-Port Colborne has a previously approved capital budget of \$13,600,000. The total estimated project cost after the award of Contract 2021-T-14 is \$13,053,897 (inclusive of 1.76% non-refundable HST), as detailed in Appendix 1 – Total Estimated Project Cost. The expected surplus of \$546,103 will be returned to Capital Variance Project – Water.

## **Analysis**

### **Project Background**

The Port Colborne Water Treatment Plant (WTP) draws water from Lake Erie through the Welland Canal and supplies all potable water to the City of Port Colborne. The plant services a population of over 16,400 and over 5,600 employees. The WTP is located on the west side of the canal in the center of the city and has a rated capacity of 36 MLD. The Port Colborne WTP was originally constructed in 1980 and has not seen a major upgrade since construction. A key plan is included in Appendix 2.

### **Compliance and Performance**

Due to the age of the plant it now requires a sustainability upgrade. This upgrade is required to meet existing and future water demands and meet Provincial compliance.

### **Project Scope of Work**

The following scope of work is associated with this project:

- Upgrades to filter underdrains,
- Filter media replacement,
- Addition of air scour system including a new blower
- Replacement of outdated filter consoles,
- Replacement of polymer system,
- Various valve replacements,
- New meeting room,
- New electrical substation, Motor Control Centres (MCC's) and lighting transformers
- Rehabilitated flocculation/settling tank drainage,
- Replacement of all high lift and low lift pumps.

The tender closed on October 14, 2021 and three (3) bid submissions were received as noted in Appendix 3. The lowest compliant bid being received from Romag Contracting Ltd. in the amount of \$8,875,000 (excluding 13% HST including).

Niagara Region's Procurement Department and Public Work's consultant have reviewed and checked all opened tenders to confirm they included acknowledgement of the correct number of Addenda, requisite Bid Security (tender deposit) and Surety (Agreement to Bond) and for mathematical errors.

Contract award requires resources from Corporate Services in order to execute the required contract documents and amending agreements. Water and Wastewater Engineering staff will be providing resources throughout the project in order to manage the contract with assistance from Corporate Services on contract/project payments.

Environmental Infrastructure Services (EIS) is currently under contract with the Region for the Tendering, Contract Administration and Site Inspection services for this project under P.O. 0000054667.

## **Alternatives Reviewed**

The following alternatives were reviewed:

1. Proceed with construction including:

- a. Award of contract 2021-T-14 to Romag Contracting Limited

This alternative would enable staff to proceed with construction, thereby ensuring sustainability and prolonged service life of the existing process equipment, and enhancing the ability of Niagara Region to meet the current and future demands and meet Provincial compliance.

2. Do nothing – This is not a viable option considering that many of the plant processes are nearing the end of their lifespan.

Staff recommend Alternative 1, to proceed with construction.

## **Relationship to Council Strategic Priorities**

This recommendation is related to the Responsible Growth and Infrastructure Planning, Objective 3.3: Maintaining Existing Infrastructure. Through asset management planning, the Port Colborne WTP upgrades project is required to ensure sustainable investments in the infrastructure needed to provide proper treatment of water, which meets Provincial compliance.

## **Other Pertinent Reports**

Not applicable.

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**Recommended by:**

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**Submitted by:**

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Chief Administrative Officer

This report was prepared in consultation with Tony Cimino, C.E.T., Associate Director, W-WW Engineering; and Pamela Hamilton, Program Financial Specialist W-WW, and reviewed by Joseph Tonellato, P.Eng, Director W-WW; and Bart Menage, Director, Procurement and Strategic Acquisitions.

**Appendices**

Appendix 1	Total Estimated Project Cost
Appendix 2	Key Plan
Appendix 3	Summary of Bids Received

**PW 58-2021 Appendix 1 - Total Project Summary**

**Contract 2021-T-14 Port Colborne WTP Upgrades in the City of Port Colborne**

<b>Total Estimated Project Cost (10CW1314)*</b>	<b>Total Council Approved Budget</b>	<b>Budget Rellocation</b>	<b>Revised Project Budget</b>	<b>Expended &amp; Committed as of November 2, 2021 **</b>	<b>Forecast</b>	<b>Budget Remaining</b>
	<b>(A)</b>	<b>(B)</b>	<b>(C) = (A) + (B)</b>	<b>(D)</b>	<b>(E)</b>	<b>(F) = (C)-(D)-</b>
Project Element						
(a) Construction (includes contract contingency) ***	11,688,500	(2,111,197)	9,577,303	-	9,031,200	546,103
(b) Project Contingency	950,000	1,000,000	1,950,000	-	1,950,000	-
(c) Consulting Engineering Services (Design, Contract Administration, & Inspection)	750,000	1,111,197	1,861,197	1,761,197	100,000	-
(d) Project Management & Internal Costs	211,500	-	211,500	81,506	129,994	-
<b>Total Estimated Project Cost</b>	<b>13,600,000</b>	<b>-</b>	<b>13,600,000</b>	<b>1,842,703</b>	<b>11,211,194</b>	<b>546,103</b>

\* All costs above include the non-refundable 1.76% portion of HST.

\*\* Includes holdbacks

\*\*\* Total Contract Award is equal to i) \$8,875,000 before tax; ii) \$9,031,200 including 1.76% non-refundable HST; iii) \$10,028,750 including 13% HST



323 King Street

**PW 58-2021 Appendix 3 – Summary of Bids (2021-T-14)**

<b>Vendor</b>	<b>Total Tender Price (excluding HST)</b>
ROMAG Contracting Ltd.	\$8,875,000.00
Maple Reinders Constructors Ltd.	\$9,374,000.00
North America Construction (1993) Ltd.	\$9,638,800.00