

Staff Report to Council

Title: Award Durham Street Lift Station Tender

Report Number: Environmental Services-2023-35

Director: Infrastructure & Development

Manager: Environmental Services

Meeting Date:
Wednesday, September 13, 2023

Date to be considered by Council:
Wednesday, September 13, 2023

Recommendation:

That Council accept the recommendation to award a contract to Birnam Excavating in the amount of \$1,454,690.45 (inclusive of municipal share of HST) for the re-construction of the Durham Street Lift Station; and

Further that Council authorize the use of reserve funds from RF67 sewer reserves for the required hydro servicing works and additional engineering costs estimated at \$200,000 associated with the Durham Street Lift Station capital project.

Executive Summary:

The Municipality of Kincardine continues to invest in improving its existing infrastructure. The Durham Street Lift Station was identified through capital planning as aged infrastructure and was budgeted for improvements to the sanitary station. A request for tender was issued as per the procurement procedure which resulted in three bids for this project.

Strategic Priorities:

B.7-Ensure municipal facilities and owned lands make the best use of each asset

Financial Considerations:

The Durham Street Lift Station was identified for capital improvements in the 2023 budget at \$1.43 M (estimated \$1.25M for capital and \$180,000 for engineering). Additional hydro service and engineering is required which were not identified at the time of the budget and as a result brings the overall estimated cost of the upgrades and improvements to the station were projected to \$1,494,053.

The bid provided by Birnam is for the capital portion of the work and does not include the engineering component of the project and the unforeseen cost of upgrading the current hydro service. The unbudgeted funds required for the project is estimated at \$200,000 and requires funds to be withdrawn from RF67 sewer reserves.

Capital projects are continuing to come in higher than originally estimated, e.g. motor control center (MCC) and standby power and automatic transfer switches for diesel generator components. Delivery items of some of these components also continue to have long lead times, which will delay project completion into the 2024 calendar year.

Tenderer	Amount Including Municipal HST Portion
Birnam Excavating Ltd.	\$1,454,690.45
K&L Construction (Ontario) Ltd.	\$1,475,520.00
Finnbilt General Contracting Ltd.	\$1,648,842.72

Policy:

Water and Wastewater Master Plan; 2023 Capital Budget; Procurement Policy

Context and Background Information:

The Durham Street Lift Station was built in 1963, and then received significant upgrades in 1980-81 to expand for development in Kincardine. The site has not received any upgrades other than pump maintenance since that point and many pieces of equipment are nearing the end of useful life. The current project will consist of new pumps, valve chamber, diesel generator and automatic transfer switch. A new hydro service will also be installed on the site to modernize equipment and allow for VFD control. SCADA controls will also be installed at the site to allow for remote monitoring capabilities.

The Durham Street Lift Station encompasses about 6.5km's of municipal gravity sewer mains that flow to the station. Upgrading the station will allow the Municipality to be prepared for any possible expansion in areas around Highland and McLeod Streets, and properties north of Gary Street.

Consultation Overview:

This project is an independent project and is exempt under the Municipal Class EA rules. However, the project was identified in the recent Water and Wastewater Master Plan which had extensive review from various organizations.

Origin:

Water & Wastewater Financial Plans and Capital Budget 2023.

Implementation Considerations:

The improvements to the station will help with day-to-day operations for staff. The current pumps are aged and worn, and often plug resulting in staff resources and confined spaces entries. The new pumps are non-clog which allow for operational flexibility and require less maintenance. Additionally, the current automatic transfer switch consists of relays that are not dependable, and no longer easy to acquire. The replacement of the ATS will alleviate those issues.

Supply chain issues continue to be a concern for these types of projects. Equipment for things like MCC's and ATS for these types of projects continues to provide challenges for completion. The Birnam submission included a contract completion date of July 1st, 2024, which is the earliest date of the three bidders.

Risk Analysis:

Since 2018, the Durham Street Lift Station has had five overflow events to the environment. Often caused by significant rainfall events, and equipment failures, these events overwhelm the station and result in an overflow to the environment. These upgrades will make significant improvements and hopefully reduce or eliminate further overflows.

Attachments: None

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