

# Staff Report to Council

**Title:** Kincardine Ave Servicing  
Extension Tender

**Report Number:** Development Services-2023-42

**Director:** Infrastructure &  
Development

**Manager:** Development Services

**Meeting Date:**  
Wednesday, December 13, 2023

**Date to be considered by Council:**  
Wednesday, December 13, 2023

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## Recommendation:

That Council award the Kincardine Avenue Servicing Extension tender contract to the low bidder Omega Contractors Inc. for the tendered amount of \$1,723,500.72 contingent upon a signed cost sharing agreement with benefitting landowners.

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## Executive Summary:

Council is being asked to award the tender to the low bidder Omega Contractors Inc. in the amount of \$1,723,500.72 inclusive of the non-refundable portion of HST. The tender was prepared and reviewed by BM Ross and Associates.

## Strategic Priorities:

B.5-Evaluate and proactively plan for infrastructure to meet population growth and long-term sustainability

## Financial Considerations:

The 2023 capital budget included a project with a total value of \$ 2,137,680 to be funded through developer contributions. The cost of the project including engineering is \$1,950,425.78 including the non-refundable portion of HST.

There are 16 parcels that have been assessed in the attached map with 15 having potential benefit from the servicing project. Past Municipally-led projects have had Area Specific Development Charges assigned to parcels, however, with the recent changes under Bill 23 a front ending agreement led by the Municipality would offer more assurance of recouping cost

benefit from the lands. Draft funding calculations are based on the total area of development land per parcel which has been presented to each landowner. The municipality would front end the cost of the project and recuperate those costs as each parcel is built out. Currently properties on parcels 12 and 13 are under construction with 14 and 16 working through planning stages. Parcel 8 has also been in talks to obtain servicing for development of their site.

Staff will bring a funding share agreement back to Council at a later meeting.

## **Policy: GG 2.17**

### **Context and Background Information:**

The 2023 Capital Budget included the Kincardine Ave Servicing Project to support growth on lands east of Highway 21. A request for tender was conducted through BM Ross and Associates. Tenders were received on Wednesday, November 22, 2023 for the above noted project, as summarized by the following table:

<b>Tenderer</b>	<b>Tender Amount(without HST)</b>
Omega Contractors Inc.	\$1,693,691.74
Birnam Excavating	\$1,842,609.59
Moorefield Excavating	\$1,850,121.50
Avertex Utility Solutions Inc.	\$2,198,167.00

The lowest tender is acceptable contractually. Additionally, the lowest bidding tenderer is experienced in water and wastewater projects of a similar nature within the Municipality. Staff are not aware of any reason why the contract should not be awarded to Omega Contractors Inc. for the total tender sum of \$1,723,500.72 (including non-recoverable HST).

Bids are irrevocable for a period of 60 calendar days which takes us to January 21, 2024.

### **Consultation Overview:**

Staff have consulted with the Ministry of Transportation, municipal engineers and developers/land owners east of Highway 21 while advancing the design and tendering of the proposed project. A meeting to discuss costing with benefiting property owners along Kincardine Ave will take place in the near future.

### **Origin:**

2023 Capital Budget

### **Implementation Considerations:**

The project is anticipated to commence in early 2024 with completion mid-2024. This will ensure servicing works are in place to support development proposals for the area. The

overall team will work with all stakeholders to mitigate impacts related to any traffic delays or other impacts to property as a result of the project work.

### **Risk Analysis:**

The servicing work associated with the project will aid in current and future development of lands designated within our official plan. Continuing to promote and support development is vital to economic growth. The servicing extension and associated works will also see improvements on a heavily utilized class 3 road.

Financially, the Municipality could front end costs for all parcels and not see all parcels developed. If a parcel is not developed under this model the Municipality would be absorbing those costs.

If construction was delayed or did not occur, development projects underway would need to be reviewed for potential private servicing. The Municipality's approach to servicing lands in the Urban footprint focuses on full municipal servicing. Delays could have significant impacts to those private developments already underway and impede potential development of other parcels that have initiated their planning processes.

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**Attachments:** Future servicing potential

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