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February 11, 2020
File: 165620142

The Corporation of the Town of Tecumseh
917 Lesperance Rd
Windsor, ON
N8N 1W9

**Attention: Mr. John Henderson, P.Eng.
Manager Engineering Services**

Dear John,

**Reference: Tender Report
Highway No. 3 and Walker Road Watermain Replacement**

Tenders for the above referenced project were received at the Town of Tecumseh offices until 2:00 pm Thursday, January 30, 2020. The Town received a total of seven (7) tenders, which were opened publicly on that date at 2:05 p.m. The tender amounts (excluding HST) are shown below.

<u>CONTRACTOR</u>	<u>TENDER PRICE</u> <u>(Not Including HST)</u>
1. Shearock Construction Group Inc.	\$1,390,658.00
2. Sterling Ridge Infrastructure Inc.	\$1,487,363.00
3. D'Amore Construction (2000) Ltd.	\$1,579,250.00
4. Major Construction (2010) Ltd.	\$1,819,805.00
5. J & J Lepera Infrastructures Inc.	\$1,989,600.00
6. Coco Paving Inc.	\$2,138,420.00
7. Sherway Contracting (Windsor) Limited	\$2,828,325.00

One (1) addendum was issued during tendering. All seven tenderers acknowledged receipt of the addendum and included a copy in their respective tenders.



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The tenders were checked for inconsistencies, omissions, unbalanced pricing and other items that would raise concerns. Shearock Construction Group Inc.'s prices for Tender Items A1(a), A9, A14(a), A25, B3, B4, B5, B6, and B7 were significantly lower than the prices submitted by all other tenderers. None of these items is considered a major item in the project, and no detrimental effect to the Owner is expected as a result of this pricing; thus, no further action was taken. We also noted that J & J Lepera Infrastructures Inc.'s tender included a price of \$17,280.00 for Item A7(J), which is more than 16 times higher than the next highest price for this item. J & J Lepera is the fifth lowest bidder, so no further action was taken.

All seven tenderers completed Statements "A" through "D" as required.

The tenders were checked for mathematical errors. The following error was noted:

Major Construction (2010) Ltd. had a multiplication error in Tender Item A5(b). This error changed the "Amount" for that item from \$7,300.00 to \$3,650.00 but did not impact the total for Section A or the Tender Price. Major Construction (2010) Ltd. is the fourth lowest bidder, so no further action was taken.

A 10% bid bond was included with all tenders as required.

The engineer's Pre-Tender opinion of probable cost for this work was \$2,207,370.00 (excluding HST) which was based on historical prices for similar projects.

Shearock Construction Group Inc. was the low bidder for this project. Their \$1,390,658.00 tender price excludes HST and includes a cash allowance and contingency allowance totaling \$120,500.00. Shearock Construction Group Inc.'s bid is approximately 37 % lower than the engineer's opinion of probable cost, 7 % lower than the second lowest tender, and 12 % lower than the third lowest tender. Shearock Construction Group Inc.'s bid is also approximately 51 % lower than the highest tenderer. Since the Town was able to tender this project early in the season before other local projects were tendered, they likely received very competitive bids as a result. We also note that the larger-than-normal difference in tenderers' pricing is likely due to the different experience each of the tenderers has had with projects that involved working on MTO's property.

In our opinion, **Shearock Construction Group Inc.** has the resources and experience to successfully complete this project. We have worked with them and with most of their proposed subcontractors on other projects, and those projects were completed successfully. We were not familiar with the proposed boring and jacking subcontractor, Robinson Underground Contracting Inc. Therefore, we researched the company and contacted Shearock Construction Group Inc. to request further information and references. We then contacted B. M. Ross and Associates Limited, the consulting firm on one of the referenced projects, and we received positive feedback on the performance and experience of the proposed subcontractor.

We recommend that the project be awarded to Shearock Construction Group Inc. at the unit prices indicated in the tender.



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Please remember that, since most of the construction is planned to take place within Highway No. 3 corridor, we do not recommend that this project proceed to construction until MTO's permit has been received.

Feel free to call if you have any questions or require additional information.

Regards,

STANTEC CONSULTING LTD.

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