



Legal Entity
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February 11, 2025
File: 165620287-1&2

Town of Tecumseh
917 Lesperance Road
Tecumseh, ON
N8N 1W9

**Attention: Mr. Shane McVitty, P.Eng.
Development Engineer**

Dear Sir,

**Reference: Tender Report
Tecumseh Hamlet Secondary Plan Area Northwest Water & Wastewater
Infrastructure Project – Phase 1 and 2**

Tenders for the above referenced project were received at the Town of Tecumseh offices until 2:00 pm, local time, Thursday, February 6, 2025. A total of six (6) tenders were submitted, with the tenders opened publicly on that date at 2:15 p.m. The tender amounts (excluding HST) are shown below.

<u>CONTRACTOR</u>	<u>TENDER PRICE (Not Including HST)</u> (*denotes corrected total)
1. Rudak Excavating Inc.	\$12,283,284.00*
2. Sterling Ridge Infrastructure Inc.	\$12,434,473.80
3. J&J Lepera Infrastructures Inc.	\$12,679,400.00*
4. GIP Paving Inc.	\$12,944,000.00
5. Nabolsy Contracting Inc.	\$15,111,234.80*
6. SheaRock Construction Group Inc.	\$16,772,080.00*

Eight (8) Addenda were issued during tendering. All tenderers noted that they had received all Addenda in their Form of Tender.



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The forms on pages T-28 to T-33 of the Form of Tender listing experience, equipment, and subcontractors, and proposed excess soil registry requirements were completed by all tenderers as required.

Rudak Excavating Inc. did not fill in a subcontractor for the Preconstruction Survey. Rudak was contacted and clarified that they intend on using Blackrock Project Management to conduct the Preconstruction Survey. This omission is minor in nature and should not impact the overall award.

The tenders were checked for inconsistencies, omissions, unbalanced pricing, and other items that would raise concerns. Some minor items were noted as shown below:

Tender submitted by Rudak Excavating Inc.

- Item 1A.6 – The price per unit was found to be substantially lower than expected and lower than the other submitted tenderers.
- Items 1E.5.(a), 1F.4, 1F.14(a),14(b), and 2D.8.(a) – The price per unit was found to be significantly higher than the other submitted tenderers and our anticipated price.

The above variations are relatively minor in nature and do not pose a significant concern

Tender submitted by Sterling Ridge Infrastructure Inc.

- There were no inconsistencies, omissions or unbalanced pricing noted.

Tender submitted by J&J Lepera Infrastructure Inc.

- Items 1F.14(a), 14(b), 2E.8(a) and 2E.8(b) – The price per unit was found to be substantially lower than expected and lower than the other submitted tenderers.
- Items 1A.17.(b), 1F.4 and 2A.30.(b) – The price per unit was found to be significantly higher than the other submitted tenderers and our anticipated price.

The above variations are relatively minor in nature and do not pose a significant concern. Since this is the third lowest tender; no further action was taken.

Tender submitted by GIP Paving Inc.

- Items 1A.11 and 2A.14 – The price per unit was found to be substantially lower than expected and lower than the other submitted tenderers.
- Items 1A.1, 1F.9(a), 9(b), 9(c) and 9(d) – The price per unit was found to be significantly higher than the other submitted tenderers and our anticipated price.

The above variations are somewhat minor in nature and do not pose a significant concern. Since this is the fourth lowest tender; no further action was taken.



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Tender submitted by Nabolsy Contracting Inc.

- Items 1F.14(a), 14(b), 2E.8(a) and 8(b) – The price per unit was found to be substantially lower than expected and lower than the other submitted tenderers.
- Item 2D.6.(h) was deliberately set at a value of \$0 (zero dollars) per each fitting.
- Item 2E.7 – The price per unit was found to be significantly higher than the other submitted tenderers and our anticipated price.
- The contractor decided to submit pricing for both Alternative No. 1 and Alternative No. 2 when bidding on the work. The lower priced alternative was included in the total tender price.

The above variations are somewhat minor in nature and do not pose a significant concern. Since this is the second highest tender; no further action was taken.

Tender submitted by SheaRock Construction Group Inc.

- Items 1E.12(a), 12(b), 12(c), 2D.15(a), 15(b), 15(c), 15(d), and 2D.16.(a) – The price per unit was found to be substantially lower than expected and lower than the other submitted tenderers.
- Items 1A.1 and 1A.6 – The price per unit was found to be significantly higher than the other submitted tenderers and our anticipated price.

The above variations are somewhat minor in nature and do not pose a significant concern. Since this is the highest tender; no further action was taken.

Some small mathematical and clerical errors were found in some tenders. The following were noted:

Tender submitted by Rudak Excavating Inc.

- Due to multiplication error, total price for Item 1E.4.(g) was corrected from \$4,296.00 to \$4,302.00. As a result of this change, the total for Part 1E – Trunk Watermain within Hamlet Development was also increased by \$6.00 to account for this error.
- Item 1E.5.(k) unit price per unit was not multiplied by the correct quantity. The total was revised from \$1,060.00 to \$4,240.00. This error was not carried forward in the total submitted for Part 1E – Trunk Watermain within Hamlet Development or the Total Tender Price.
- Item 2A.25 unit price per unit was not multiplied by the correct quantity. The total was revised from \$220.00 to \$1,540.00. This error was not carried forward in the total submitted for Part 2A – Removals and Road Reconstruction or the Total Tender Price.
- Due to multiplication error, total price for Item 2C.1.(b) was corrected from \$109,612.00 to \$103,140.00.
- The total price for Part 2C – Sanitary Sewers along Intersection Road was incorrectly summarized and corrected from \$1,023,208.00 to \$1,024,736.00.



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Phase 1 and 2**

- Item 2E.2 did not list a per unit price for the line item, but instead listed the total amount of \$780 for the 15 l.m. quantity. It appears the Stantec Form of Tender did not provide a line for the unit price, so Rudak did not fill this quantity in. Reviewing the section total, it appears that Rudak accounted for only the \$780 for this line item, therefore the unit price was back-calculated as \$52.00 per linear meter.
- The total price for Part 2E – Miscellaneous was corrected from \$163,980.00 to \$181,130.00.
- As a result of the errors above, the Total Tender Price was corrected from \$12,264,600.00 to \$12,283,284.00.

Tender submitted by Sterling Ridge Infrastructure Inc.

- There were no mathematical errors found within the bid submitted by Sterling Ridge Infrastructure Inc.

Tender submitted by J&J Lepera Infrastructure Inc.

- The total price for section 2D – Watermain along Intersection Road was incorrectly summarized and was corrected from \$918,990.00 to \$918,390.00.
- As a result of the error above, the Total Tender Price was corrected from \$12,680,000.00 to \$12,679,400.00.

Tender submitted by GIP Paving Inc.

- There were no mathematical errors found within the bid submitted by GIP Paving Inc.

Tender submitted by Nabolsy Contracting Inc.

- Item 2E.2 did not list a per unit price for the line item, but instead listed the total amount of \$630 for the 15 l.m. quantity. It appears the Stantec Form of Tender did not provide a line for the unit price, so Nabolsy did not fill this quantity in. Reviewing the section total, it appears that Nabolsy accounted for only the \$630 for this line item, therefore the unit price was back-calculated as \$42.00 per linear meter.
- Item 1F.18 did not match the Schedule of Additional Unit Price total due to mathematical error. Item 6(g) in the Schedule of Additional Unit Prices was calculated by Nabolsy Contracting Inc. to be $\$237.48 \times 80 \text{ hr.} = \$4,749.60$ but the total should have been \$18,998.40. The total was updated in the Form of Tender resulting in the total tender price increasing from \$15,097,489.20 to \$15,111,234.80 before HST.
- Other than above, Nabolsy Contracting Inc. did not have any further mathematical errors.



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Tender submitted by SheaRock Construction Group Inc.

- Item 1F.2 did not list a per unit price for the line item, but instead listed the total amount of \$1500 for the 15 l.m. quantity. It appears the Stantec form of tender did not provide a line for the unit price, so SheaRock did not fill this quantity in. Reviewing the section total, it appears that SheaRock accounted for only the \$1500 for this line item, therefore the unit price was back-calculated as \$100.00 per linear meter.
- Item 2E.2 did not list a per unit price for the line item, but instead listed the total amount of \$1500 for the 15 l.m. quantity. It appears the Stantec form of tender did not provide a line for the unit price, so SheaRock did not fill this quantity in. Reviewing the section total, it appears that SheaRock accounted for only the \$1500 for this line item, therefore the unit price was back-calculated as \$100.00 per linear meter.
- Other than above, SheaRock Contracting Inc. did not have any further mathematical errors.

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

An Agreement to Bond was submitted by all 6 tenderers.

The Engineer's Opinion of Probable Cost (OPC) was \$18,408,543.50 (excluding HST) for the construction of Tecumseh Hamlet Secondary Plan Area Northwest Water & Wastewater Infrastructure Project – Phase 1 and 2 which was based on historical prices for similar projects, considering inflation rate increases in recent years.

Rudak Excavating Inc. was the low bidder for this project. Their tender price of \$12,283,284.00 excludes HST but includes \$101,000.00 in cash allowances and \$1,371,020.00 in contingency allowances. Rudak Excavating Inc's bid of \$12,283,284.00 is lower than the second tenderer by \$151,189.80 (1.2%). Rudak Excavating Inc's bid is lower than the third tenderer by \$396,116.00 (3.2%). These tight price ranges between the three lowest total tender prices indicate that the pricing was very competitive.

During the tender period, a public test dig operation was arranged that allowed plan takers the opportunity to review the in-situ soil and how it reacted to excavation, trench slope stability, potential groundwater, and general conditions. The results from the test dig operation yielded a large contractor turnout and favourable ground conditions were revealed. Due to the high visibility provided from the test dig operation, this may have helped to provide the tenderers with some surety of what may be expected if they undertake this project. With this information, the tenderers may have been able to price this project more favourably than Stantec originally anticipated.

During the test digs, Stantec heard that many local contractors did not have a lot of work secured and there weren't a lot of projects being tendered. This may have also added pressure for more competitive pricing.

The Total Tender Price is \$6,125,259.50 (33.3%) lower than the Engineer's OPC of \$18,408,543.50 (excluding HST). The low tender price compared to the Engineer's OPC once again demonstrates that the pricing was very competitive. The lower pricing received may also be due to a slower economy, the public test dig that revealed better soils conditions than anticipated, and a low volume of projects currently out for tender.



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Rudak Excavating Inc. listed three projects in their Statement “A” for experience with successfully completed similar projects. Two of the projects were around \$3 million each for the Town of Tecumseh. The Town of Tecumseh and the Consultant noted that these projects had some issues, but Rudak successfully completed the work. The third project was listed as “Subdivision W/ Trunk Sewer” and the amount listed was \$8.9 million. After reviewing this project, it was evident that this value of \$8.9 million was for approximately 3 or 4 phases of construction at Kingsbridge Subdivision in Amherstburg. The deepest portion of the project involved the construction of a 450 mm diameter sewer approximately 7.5 m deep with most infrastructure much shallower. There were some issues with these phases, but the work was completed satisfactorily. Judging from past projects, Rudak Excavating Inc. has some limited experience with deep sewers but the value of the Tecumseh Hamlet Phase 1 and 2 project is much greater than other projects completed by them. Due to the small size of the contractor and the large size of the project, we contacted Rudak to see if they had sufficient experience and manpower to complete the work within the 150 working days permitted under the contract. Rudak assured us that they would successfully complete the work within the 150 working days and provided a schedule showing up to 2 crews plus subcontractors would be undertaking work simultaneously. Although Rudak is confident that they will complete the work within the permitted 150 working days, we are not as assured, and this could result in liquidated damages being charged to the contractor if working days are exceeded.

We have worked on a limited number of smaller projects with Rudak Excavating Inc. in the past but are familiar with their ability, professionalism and experience. Rudak has listed multiple subcontractors in their bid for the project that are very capable of successfully completing the work and should be able to adequately support Rudak throughout the project. With the assistance of their subcontractors, Rudak Excavating Inc. should be able to successfully complete this project.

We recommend the project (Phase 1 and 2) be awarded Rudak Excavating Inc. at the unit prices indicated in the tenders.

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

Regards,

STANTEC CONSULTING LTD.

A handwritten signature in blue ink that reads "Clarence Jubenville".

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