

Staff Report to Council



Report From: Don Giberson, Infrastructure & Development General
Manager

Meeting Date: March 2 2026

Report: ID- 01-2026
Tender Results for Main Street South Reconstruction, Ausable
River to Victoria Street – Budget Amendment

Recommendation

That South Huron Council receives Staff Report ID-01-2026, Tender Results for Main Street South Reconstruction, Ausable River to Victoria Street; and

That South Huron Council accept the tender from the low bidder GHN Infrastructure Inc. and authorize award of a contract for the Main Street South Reconstruction, Ausable River to Victoria Street, in the amount of \$6,510,537.09 (including HST); and

That South Huron Council approve a Budget Amendment and authorize the transfer of \$503,552.22 from the Transportation Services Capital Replacement Reserve to fund the additional tendered costs of the roads portion of the project.

Report Overview

Purpose of Report	For Approval
Council Priority Alignment	Infrastructure Investment/Asset Management Plan Community Safety and Well-Being
Consultations	Rebekah Msuya-Collison, Chief Administrative Officer/Deputy Clerk Julia Warwick, Financial Services Director/Treasurer Alyssa Keller, Environmental Services Manager
Attachment(s) to Report	BM Ross Engineers, Tender review letter dated February 12, 2026

Report Highlights

- The Main Street South Reconstruction, Ausable River to Victoria Street, is a multi-year project that was originally approved in the 2025 Capital Budget. A request for tender closed on February 11, 2026; and Staff are recommending award of a contract to the low bidder.
- This project is an MTO Connecting Link funded project and eligible for up to \$3,000,000 in Provincial funding.

Context and Background

The tender for Main Street South Reconstruction, Ausable River to Victoria Street, was posted on Bids & Tenders on January 14, 2026.

The tender closed on February 11, 2025, at 2:00pm and four (4) tenders were received. This was a fully digital tender, and the tender opening was virtual via Zoom and was recorded for transparency.

After the prescribed closing time, all tenders were downloaded from Bids&tenders secure website and opened by Erin Moore, Financial Analyst. The tender opening was witnessed virtually via Zoom utilizing screen sharing, by Mayor, George Finch; Alyssa Keller, Manager of Environmental Services; Taylor Hodgins, Transportation Services Foreman; and Don Giberson, General Manager of Infrastructure and Development.

The following are the tender results:

Tenders Results - as submitted				
	Contractor	Price	HST	Total Cost
		(Excluding HST)		(Including HST)
1	GHN Infrastructure Inc	\$5,761,537.25	\$748,999.84	\$6,510,537.09
2	Birnam Excavating Ltd	\$6,497,228.59	\$844,639.72	\$7,341,868.31
3	Van Bree Drainage and Bulldozing Ltd	\$6,533,735.91	\$849,385.67	\$7,383,121.58
4	Lavis Contracting Co. Limited	\$7,650,475.30	\$994,561.79	\$8,645,037.09

Tender Results - as reviewed / corrected				
	Contractor	Price	HST	Total Cost
		(Excluding HST)		(Including HST)
1	GHN Infrastructure Inc	\$5,761,537.25	\$748,999.84	\$6,510,537.09
2	Birnam Excavating Ltd	\$6,497,228.60	\$844,639.72	\$7,341,868.32
3	Van Bree Drainage and Bulldozing Ltd	\$6,533,735.91	\$849,385.67	\$7,383,121.58
4	Lavis Contracting Co. Limited	\$7,650,474.70	\$994,561.71	\$8,645,036.41

Discussion and Staff Recommendation(s)

Tenders were reviewed for completeness, mathematical errors, omissions, receipt of Addendums, and conformance with contract documents. All Tenders were submitted with a proper Bid Bond and Agreement to Bond.

The tender received from Lavis Contracting contained a minor mathematical error. However, the error did not change the bidders' ranking. In accordance with Procurement By-law, this irregularity is considered minor, and the tender is acceptable with the corrected total tender price.

Staff recommend that the tender received from the lowest bidder, GHN Infrastructure Inc be accepted.

Impact Analysis

Financial Impact:

Financial analysis of the tender received from the low bidder was carried out and is summarized as follows:

2026 Reconstruction (Ausable River to Walper)					
	Sanitary	Water	Storm	Roads	TOTAL
Part 1 - 2026 Reconstruction					
Roadwork	\$0.00	\$6,487.95	\$34,077.75	\$1,654,258.35	\$1,694,824.05
Storm Sewers	\$0.00	\$0.00	\$1,462,402.05	\$0.00	\$1,462,402.05
Sanitary Sewers	\$670,957.70	\$0.00	\$0.00	\$0.00	\$670,957.70
Watermains	\$0.00	\$736,681.15	\$0.00	\$0.00	\$736,681.15
Provisional (incl. \$175,000 Contingency)	\$7,287.25	\$11,924.58	\$70,686.25	\$175,092.67	\$264,990.75
Miscellaneous	\$2,512.82	\$26,447.22	\$158,683.33	\$400,072.67	\$587,716.05
Subtotal	\$680,757.77	\$781,540.91	\$1,725,849.38	\$2,229,423.69	\$5,417,571.75
Engineering & Geotechnical	\$47,116.80	\$54,969.60	\$117,792.00	\$172,761.60	\$392,640.00
Subtotal	\$727,874.57	\$836,510.51	\$1,843,641.38	\$2,402,185.29	\$5,810,211.75
HST Expense	\$12,810.59	\$14,722.58	\$32,448.09	\$42,278.46	\$102,259.73
Total	\$740,685.16	\$851,233.09	\$1,876,089.47	\$2,444,463.75	\$5,912,471.48
Approved Capital Budgets	\$740,731.00	\$1,026,473.00	\$1,686,673.00	\$2,129,328.00	\$5,583,205.00
Net Difference	\$45.84	\$175,239.91	-\$189,416.47	-\$315,135.75	-\$329,266.48

The total cost, including engineering and non-recoverable HST, is \$329,266.48 more than the total amount approved in the 2026 Capital Budgets for water, sanitary sewers, storm sewers and roads. The tendered costs for water and sanitary sewers are less than the 2026 approved budgets. However, the 2026 levy-based portion of the project (ie. storm sewers & roads) is \$504,522.22 over budget.

It should be noted that the tender for the 2026 work includes \$175,000 Contingency and \$90,000 in Provisional Items.

Staff recommend that the additional tendered costs for the levy-based portion of the project be funded from the Transportation Services Capital Replacement Reserve.

Please note that all costs associated with the 2027 surface asphalt on Main Street South are excluded from this analysis and will be included in the draft 2027 Capital Budget. The tendered costs to complete the top asphalt work in 2027 is \$34,563.29 more than what was forecasted in the proposed 2026 Capital Budget. However, this shortfall will be corrected as part of the 2027 budget process.

These future costs are summarized as follows:

2027 Budget - Top Asphalt					
	Sanitary	Water	Storm	Roads	TOTAL
Roadwork	\$0.00	\$0.00	\$0.00	\$213,682.60	\$213,682.60
Miscellaneous	\$0.00	\$0.00	\$0.00	\$110,282.90	\$110,282.90
Engineering & Geotechnical	\$0.00	\$0.00	\$0.00	\$10,000.00	\$10,000.00
Subtotal	\$0.00	\$0.00	\$0.00	\$333,965.50	\$333,965.50
HST Expense	\$0.00	\$0.00	\$0.00	\$5,877.79	\$5,877.79
Total	\$0.00	\$0.00	\$0.00	\$339,843.29	\$339,843.29
Proposed Capital Budget	\$0.00	\$0.00	\$0.00	\$305,280.00	\$305,280.00
Total Available Funds	\$0.00	\$0.00	\$0.00	\$305,280.00	\$305,280.00
Net Difference	\$0.00	\$0.00	\$0.00	-\$34,563.29	-\$34,563.29

Community Impact:

This is an invasive project that will impact the residents and businesses in the reconstruction area. Dust, noise, vibration, parking, and access to homes and businesses will be impacted.

Communication:

A Public Open House will be held prior to construction to provide information and to respond to questions/concerns. Personal notices will be provided to all directly impacted residents and businesses, in advance of construction. A separate meeting will be held with businesses to respond to their specific concerns.

Due to the invasive nature of this project, an enhanced communication plan will be implemented that involves a project page on the Municipal Website, with construction information, contacts and weekly project updates.

Linkages

- [TSD15-2024 MTO Connection Link Grant 2025-2026 \(Intake 10\)](#)
- [ID02-2025 \(MTO Connection Link Grant 2025-2026 - Intake 10\)](#)
- [ID06-2025 \(Results of 2025 Engineering RFP\)](#)
- [ID07-2025 \(MTO Connection Link Intake 10 - Project Update\)](#)

Respectfully submitted,

Don Giberson, Infrastructure & Development General Manager

Report Approval Details

Document Title:	ID01-2026 - Tender Results for Main Street South Reconstruction - Budget Amendment.docx
Attachments:	- 25176-2026-02-12-TenderReview-Municipality let.pdf
Final Approval Date:	Feb 25, 2026

This report and all of its attachments were approved and signed as outlined below:

Alex Wolfe - Feb 23, 2026 - 4:08 PM

Julia Warwick - Feb 24, 2026 - 9:10 PM

Rebekah Msuya-Collison - Feb 25, 2026 - 9:49 AM