ST. THOMAS THE RAILWAY CITY		**Report No.** ES-12-26
		File No.
Directed to:	Mayor Joe Preston and Members of City Council	**Meeting Date:** March 16, 2026
Department:	Environmental Services	**Attachment**
Authored By:	Cory Pietrzak, Project Technologist	
Subject:	**Talbot St. Trunk Sewer Upgrade – Tender 2026-017 Award**	

Recommendation:

THAT: Report ES-12-26 relating to Talbot St. Trunk Sewer Upgrade – Tender 2026-017 Award be received for information; and further,

THAT: Council award Tender 2026-017 to J-AAR Civil Infrastructures Limited in the amount of $9,187,936, excluding HST; and further,

THAT: Council authorize the additional funding as outlined in Table 2 of Report ES-12-26 for the Talbot St. Trunk Sewer Upgrade project.

Background:

The Talbot St. Trunk Sewer Upgrade project was approved for reconstruction in 2026 to improve infrastructure needed to support the Yarmouth Yards industrial development. The work includes improving the existing sanitary sewer to accommodate anticipated flows from the Industrial Development during the critical interim period prior to the commissioning of the new sewage treatment plant (D-WRF). The project also includes upgrading the watermain to provide system redundancy in support of growth and intensification and the replacement of aging storm sewers which is required to accommodate the trunk sanitary sewer work. In accordance with the recommendations of the 2025 Transportation Master Plan (TMP), road widening improvements will also be made to accommodate a two-way left turn lane between the Smart Centre entrance and Fairview Avenue, enhancing safety for left turning vehicles in this very busy corridor. See **Figure 1** for existing conditions.



Figure 1 – Existing Conditions

The project also considers future active transportation needs, in accordance with the 2025 Transportation Master Plan (TMP), where an opportunity was identified to create a multi-use pathway along the south side of Talbot Street from Park Avenue to First Avenue. This active

transportation facility will connect to future active transportation links on First Avenue and Park Avenue, supporting the City's modal shift goals through active modes of transportation and improving pedestrian and cyclist safety for all ages and abilities.

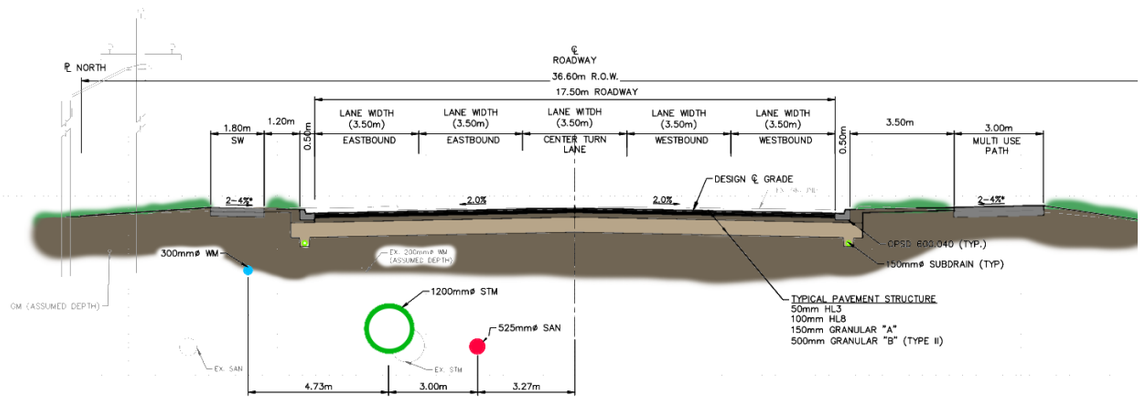


Figure 2: Talbot Street Design Cross Section
(Between Smart Centre Entrance to Park Avenue)

The outstanding surface asphalt paving and restoration work for the Fairview Avenue Rehabilitation and Bridge Removal Project has been removed from the Fairview Avenue Rehabilitation and Bridge Removal Contract and added to the Talbot Street Trunk Sewer Replacement project. This will allow for both components to be completed seamlessly without interference and in accordance with the Ministry of Labor's requirements for contractors operating within the same work area.

A Public Information Centre was held on Tuesday, November 25th, 2025 to provide residents with an opportunity to review the construction plans and discuss the project or any specific details with the design team. The Public Information Centre was attended by business owners along Talbot Street. Generally, the comments received related to construction impacts and access during construction. These concerns were addressed through detailed project design and tender specifications as detailed below:

- The project design has been divided into five (5) phases to allow Talbot Street to remain open to traffic during construction and minimize impacts on surrounding businesses and the public. The phasing strategy is intended to maintain traffic flow on Talbot Street throughout the project and to minimize periods of inconvenience as much as possible. Night-time operations will be utilized for service disruptions and paving operations to minimize disruptions to businesses.

- The signalized intersection at the Smart Centre's Access on Talbot Street will generally remain open to traffic during construction. A one-week closure of the north access is planned during the installation of deep sewers directly in the intersection. A temporary signal is planned to ensure that the intersection will operate safely during all phases of the work.

- Temporary watermain will be provided to minimize water service disruptions during the project. Short duration disruptions at times will be coordinated between the City, affected businesses and the Contractor, to find the best time to make the connections with as little disruption as possible. Night-time work will be utilized if needed. The Contractor will be responsible for coordinating directly with each affected business in advance of any service interruptions.

The project is expected to start in April with an anticipated completion in October 2026. Communication has been initiated with property owners to provide information about the impacts of the project. Construction Notices will be hand delivered and mailed to businesses and residents in the project area. Regular e-mail project updates will also be sent during construction to keep residents informed about the project status.

Analysis:

The Talbot Street Trunk Sanitary Sewer Upgrade project procurement was completed as a two-stage procurement including pre-qualification of contractors to maintain high quality workmanship while still obtaining best value for major infrastructure projects. The prequalification process provides City staff with the opportunity to review contractors based on set criteria, including past performance, project team and corporate experience, health and safety record, and references

from similar projects. Request for Pre-Qualification 2025-037 was posted on the City's electronic bid portal stthomas.bidsandtenders.ca, on December 2th 2025 and closed on December 16th 2025, receiving twelve (12) submissions. A total of eight (8) contractors were prequalified for the project.

The second stage of the procurement process is the Request for Tender, which is available to contractors who are successfully pre-qualified. Request for Tender 2026-017 was posted on the City's electronic bid portal stthomas.bidsandtenders.ca on February 9th 2026. The Tender closed March 10th 2026 at 2:00 p.m. Bids were received from the following companies:

Table 1: Bid Summary

Bidder		Contract Price (Excludes HST)
1	J-AAR Civil Infrastructures Limited	$9,187,936.34
2	Elgin Construction	$9,367,378.61
3	Blue-Con Construction	$9,890,000.00

All bids were found to be compliant. The pricing received was higher than expected due to the complexity of the work, including excess soil management and night-time work on Talbot Street required to maintain service and access to businesses throughout construction.

Strategic Priority:

Strategic Pillar: Excellence in All We Do - Priority #2: Thoughtful, Strategic, and Sustainable Community Growth

Financial Considerations:

The table below summarizes the anticipated expenditure and funding details.

Table 2: Financial Summary

	Expenditures	Funding
Base Contract	$9,187,936.34	
Contingency	$500,000.00	
Project Expenditures[1]	$100,000.00	
Sub Total	$9,787,936.34	
Net HST (1.76%)	$172,267.68	
Total Commitment	**$9,960,204.02**	
Unallocated Funding[2]		$1,199,750
2026 Budget Allocation		$7,400,000
Additional Development Charges		$560,100
Additional Industrial Development		$560,100
Additional OCIF		$280,050
Total Allocated Funding		**$10,000,000**

[1] *Includes Geotechnical Investigation/Quality Control & Utility Relocations.*
[2] *Unallocated Funding from Fairview Avenue Rehabilitation and Bridge Removal Project (Report ES14-25)*

While the bid received from J-AAR Civil Infrastructures Limited is greater than the project budget, the difference between the first and second low bid is within 2% representing good value for the project. Therefore, staff recommend proceeding with contract award.

Report Approval:

This report has been reviewed and approved by the Manager of Capital Works, Director of Environmental and Infrastructure Services/City Engineer, and the Director of Corporate Services/City Treasurer.

All reports are reviewed and approved by the City Manager.