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Ms. M. McAuley, P. Eng.
City of Sault Ste. Marie
Engineering Department
99 Foster Drive
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March 11, 2026

Project #
60737206

Dear Ms. McAuley:

**Subject: Reconstruction of Peoples Road Phase 2 (Penno Road to Third Line)
Contract No. 2026-2E
Tender Report**

We have reviewed the tenders received by the City on Tuesday, March 10, 2026 for the above contract and present herewith our Tender Report.

1.0 Introduction

Contract No. 2026-2E – Reconstruction of Peoples Road Phase 2 (Penno Road to Third Line) consists of all materials, labour and equipment necessary to compete upgrades of approximately 800 metres of Peoples Road. The work includes removals, earth excavation grading, granular subbase and base, asphalt, concrete curbs and sidewalk, asphalt multi-use trail, electrical/utility ducts, traffic signals, street lighting and replacement of storm sewers, sanitary sewers and watermains along with related appurtenances.

The tender documents and drawings were provided to the City's Engineering Department and uploaded to the City's electronic bidding system portal, referred to as Bids and Tender, on February 17, 2026, allowing prospective bidders and suppliers to download them. Additionally, contractors were informed via the websites of the City and the Sault Ste. Marie Construction Association.

Nine (9) plan takers registered on the Bids and Tender portal and acquired the tender documents, comprising of seven (7) Contractors and two (2) suppliers.

During the tender period, plan takers submitted general inquiries about the scope of work via the Bids and Tender platform. Formal responses to these inquiries were included in subsequent Addenda. In total, two Addenda were issued to clarify details and address adjustments to the scope of work.

2.0 Summary of Tenders

Three (3) contractors submitted their tenders electronically for Contract No. 2026-2E through the Bids and Tender platform before the 3:00 p.m. deadline on Tuesday, March 10, 2026. After the closing time for tenders, all submitted documents were downloaded and made available for review.

The following were the results of the submitted Total Contract Prices, excluding HST, in ascending order of bid price as posted online:

- | | |
|---------------------------------------|-----------------|
| 1. Avery Construction Limited - | \$10,417,556.94 |
| 2. Pioneer Construction Inc. - | \$11,686,441.00 |
| 3. Trimount Construction Group Inc. - | \$14,517,111.32 |

The Total Contract Price for each tender includes a contingency allowance of \$300,000 along with a excess soil testing cash allowance of \$50,000 and various provisional items.

The Engineer's estimated tender price for this contract was \$11,138,910.00 (excl. HST). This estimate was developed with consideration of prices from prior City capital construction contracts, where relevant, and by evaluating costs associated with equipment, labour and materials to complete the work with consideration of the ground conditions and the requirements for disposal of surplus excess soil.

3.0 Review of Tenders Received

The tenders were reviewed to verify all tender submission requirements were complied with as stipulated in the Information to Tenderers. The following specific comments are noted:

1. All Tenderers submitted tender deposit in the form of a bid bond in the amount of 10% of the Total Tender Price.
2. The tenderers were required to provide an Agreement to Bond from a Surety Company certifying that they are able to obtain the required 100% Performance and 50% Labour and Material Payment bonds. An electronic copy of the Agreement to Bond was attached to all tender submissions.
3. The Schedule of Price breakdowns were checked for each submission and no errors were identified.
4. The tender document called for submission of the tenderer's experience in similar work, senior staff, list of subcontractors and their senior staff and experience. All tenderers filled in the appropriate information.
5. Tenderers were required to acknowledge any Addenda received during the tender period. All tenderers confirmed receipt of Addendum No. 1 and 2.

3.0 Low Bidder Experience

Avery Construction is a local Civil Contractor who have completed many similar contracts for the City over the past years. In recent years, these contracts have included Reconstruction of Peoples Road Phase 1, Queen Street Improvements, Reconstruction of Third Line, Dufferin Street, Cedar Street and Wemyss Street. The subcontractors listed in the tender submission are all well known local Contractor who have also worked on various City contracts in the past.

4.0 Tender Estimate

The low tender amount of \$10,417,556.94 (excl. HST) is lower than the Engineer's tender estimate by \$721,353.06 (excl. HST) or approximately 6.5%.

5.0 Conclusions

In summary, based on our detailed review of the tenders submitted, we recommend the following:

1. The required by-law should be drafted and passed by Council to facilitate execution of the Form of Agreement based on the available City funds; and

2. AECOM should be authorized to issue an award letter to the successful Contractor which will include requirements for the Contractor to submit the required contract documentation (ie: bonds, insurance, etc.) and prepare the related contracts for signing by both parties based on the awarded contract amount.

We hope you find this report acceptable, although, please do not hesitate to call should you have any questions regarding the contents of this Tender Report.

Yours very truly,
AECOM Canada ULC



Darrell Maahs, C. Tech.
Project Manager

DRM:nm
Encl.