



The Corporation of the
City of Sault Ste. Marie

COUNCIL REPORT

March 23, 2026

TO: Mayor Matthew Shoemaker and Members of City Council
AUTHOR: Maggie McAuley, Manager of Design and Transportation
Engineering
DEPARTMENT: Public Works and Engineering Services
RE: 2026-2E Reconstruction of Peoples Road Phase 2 –
Contract Award

Purpose

The purpose of this report is to obtain approval to award Contract 2026-2E for the second phase of the reconstruction of Peoples Road from Penno Road to Third Line.

Background

Council approved the second phase of the Peoples Road reconstruction in the 2026 Capital Budget.

In the spring of 2024, the City finalized the Class Environmental Assessment study to review overland and basement flooding in the area of Peoples Road. Increasing the capacity of the sanitary sewer was one of the recommendations of the EA which results in the full reconstruction of the road from Churchill Avenue to Third Line.

Tenders were received via the City's electronic bidding system. Submissions were opened on Tuesday, March 10, 2026 in the presence of City staff and tender results were made public on the project page in the electronic bidding system immediately after.

Analysis

A total of three tenders were received. All tenders submitted were checked by AECOM and found to be complete and valid. AECOM's tender report is attached. The low tender of \$10,417,556.94 (excluding HST) was received from Avery Construction Limited.

As per Council direction at the May 12, 2025 meeting, Peoples Road will be reconstructed as a narrow four-lane cross section rather than a three-lane cross section. A multi-use trail will be located on the west side of the road, and a sidewalk

will be located on the east side of the road. Streetlighting improvements are also planned for the Third Line and Peoples Road intersection.

As part of the design process, the traffic analysis of the Peoples Road corridor was undertaken, and it was recommended that a traffic signal be installed at the Peoples Road and Third Line intersection based on current and future traffic projections. This will not only improve the vehicular traffic movement, but it will also provide controlled pedestrian crossing.

Financial Implications

When allowances for engineering, utilities, equipment costs and non-recoverable HST are added and PUC water costs are removed, the City's cost to complete this project is projected to be \$8,484,332. This is under the allocation in the 2026 capital budget of \$9,855,000 which includes parts of the funding from the Housing-enabling Water Systems Fund as well as part of the Building Faster Fund.

Strategic Plan / Policy Impact / Climate Impact

This report is linked to the infrastructure focus area of the Strategic Plan.

Recommendation

It is therefore recommended that Council take the following action:

Resolved that the report of the Manager of Design and Transportation Engineering dated March 23, 2026 concerning the reconstruction of Peoples Road be received and the recommendation that contract 2026-2E be awarded to Avery Construction Limited.

The relevant By-laws 2026-38 authorizing execution of Contract 2026-2E and By-law 2026-39 authorizing the road closure of Peoples Road from Penno Road to Third Line including intersections from May 1, 2026, to November 27, 2026 are listed under Agenda item 12 and will be read with all by-laws under that item.

Respectfully submitted,

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