

Agenda

Lake Huron Primary Water Supply System

Joint Board of Management

4th Special Meeting of the Lake Huron Primary Water Supply System

June 24, 2026, 2:00 PM

Virtual

Pages

1. Call to Order

2. Indigenous Territorial Acknowledgement

The Lake Huron Water Supply System and its benefiting municipalities are situated on the traditional lands of the Anishinaabek (Uh-nish-in-ah-bek), Haudenosaunee (Ho-den-no-show-nee), Lūnaapéewak (Len-ah-pay-wuk) and Attawandaron (Add-a-won-da-run) peoples. We honour and respect the history, languages and culture of the diverse Indigenous people who call this territory home. This region is currently home to many First Nations, Inuit and Métis people today and we are grateful to have the opportunity to live and work in this territory.

3. Disclosures of Pecuniary Interest

4. Recognitions and Comments from the Chair

5. Adoption of Minutes of the Previous Meeting(s)

6. Communications and Petitions

7. Motions of Which Notice is Given

8. Reports and Added Reports

8.1 Recommended Items for Consent

8.2 Recommended Items for Discussion

- a. Huron Water Treatment Plant - Administration Building Extension and Site Redevelopment - Administration Building Construction Tender Award

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9. Deferred Matters

10. Additional Business and Enquiries

11. Emergent Motions

12. By-Laws

13. Closed Session

14. Upcoming Meeting Dates

October 1, 2026

15. Adjournment

Board of Management Report

Subject: Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment – Administration Building Construction, Tender Award

Overview:

- The existing Huron Water Treatment Plant (WTP) main building was designed and constructed in the 1960s and has not undergone any major renovations or modifications since. Several challenges with the existing WTP main building are being addressed to modernize the facility, enhance functionality, address gender equity issues, and improve the overall indoor working environment for improved health and safety of staff.
- The detailed design of the Huron Water Treatment Plant – Administration Building Construction, Renovation & Site Redevelopment, by the Board’s Architectural Consultant, +VG Architects – The Ventin Group Ltd., progressed to the tendering phase in May 2025. The tender was issued to six (6) pre-qualified General Contractors.
- Board staff initiated a competitive two-staged procurement process for the construction of the new administration building extension. The tender period closed June 9, 2026. The tender award of this project requires approval by the Board of Management for the Lake Huron Primary Water Supply System (LHPWSS), in accordance with the Procurement of Goods and Services and Disposal of Assets Policy.

Recommendation

That the Board of Management for the Lake Huron Water Supply System take the following actions with regard to the Huron Water Treatment Plant – Administration Building Construction:

1. The Board of Management **ACCEPT** the bid from D. Grant Construction Ltd. in the amount of \$15,797,00.00, including contingency and excluding HST, and **AUTHORIZE** the Chair and Chief Administrative Officer to execute an agreement with the General Contractor, D. Grant Construction Ltd., for the construction of the Huron Water Treatment Plant Administration Building and Site Redevelopment; and,
2. The Board of Management **RECEIVE** this report for information.

Previous and Related Reports

June 6, 2024	Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment
December 7, 2023	Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment – Extension of Consulting Engineering Services
October 5, 2023	Huron Water Treatment Plant – Administration Building Extension and Site Redevelopment
January 19, 2023	LH1353 Water Treatment Plant Modifications/Renovation & LH2047 Electric Vehicle Charging Stations
October 6, 2022	2023 Operating and Capital Budgets

Background

With the assistance of the Ventin Group, on July 24, 2025, RFPQ-2025-178, Prequalification of General Contractor Lake Huron Water Treatment Plant Administration Building was issued. The prequalification closed on September 10, 2025, and on October 24, 2025, six (6) General Contractors were notified they would be advancing to the final Tender stage.

In early 2026 the preferred design concept had fully transitioned into the completed final design (refer to Appendix A for building renderings). On May 11, 2026, the final tender package for Huron Water Treatment Plant – Administration Building Construction was issued to the six (6) prequalified general contractors. The tender period closed on June 9, 2026, with two (2) bids received.

Discussion

Anticipated Operating and Service Impacts

In keeping with the Board’s endorsement of undertaking the project in accordance with Leadership in Energy and Environmental Design (LEED) Silver and zero carbon design, provided at the October 5, 2023, Board meeting, the Lake Huron Water Treatment Plant – Administration Building Construction project includes several measures intended to reduce energy consumption and help moderate utility-related operating costs, particularly during peak energy demand periods. These include efficient lighting, demand control ventilation, energy recovery ventilation, solar photovoltaic energy generation, and high-efficiency air-source heat pump technology. Together, these systems are intended to reduce the building’s electrical and heating energy requirements, with the heat pump system significantly lowering heating demand relative

to conventional heating approaches and the energy recovery ventilators reducing the heating energy required to condition outdoor ventilation air.

From an operating cost perspective, the value of these measures relates not only to total annual energy consumption, but also to when energy reductions occur. Reductions in electrical demand from lighting, ventilation, and other high-efficiency equipment, together with on-site solar energy generation, will help reduce facility electrical demand during peak Class A utility periods, when electricity consumption has the greatest cost impact. In that respect, the project’s energy efficiency measures and photovoltaic carport support a lower grid demand profile during the periods that matter most from a utility cost standpoint.

An additional benefit of electrification is reduced exposure to global natural gas price volatility and improved energy when sourcing locally generated electricity.

More broadly, industry research indicates that while LEED and other high-performance buildings can involve higher upfront capital costs and more sophisticated systems, they are often associated with lower operating and maintenance costs over time. The 2018 World Green Building Trends SmartMarket Report identified average operating cost savings of 8% in the first year for new green buildings. The U.S. Green Building Council also notes that LEED buildings have reported almost 20% lower maintenance costs than typical commercial buildings, and that green building retrofits typically decrease operating costs by almost 10% in one year.

Taken together, these measures reflect a higher-performance building approach intended to support lower long-term energy demand, improved performance during peak Class A utility periods, and operational and maintenance benefits consistent with broader industry data for LEED high-performance buildings.

Tender

The construction tender (RFT-2026-044) was posted on May 11, 2026, to the six (6) pre-qualified General Contractors through the City of London’s online procurement service site, bids&tenders. Two (2) prequalified general contractors regrettably withdrew from the competition, due to other commitments, and two (2) others never submitted a bid.

The following bids were received upon tender close on June 9, 2026:

Contractor	Tender Bid*
D. Grant Construction Ltd.	\$15,797,000
Zehr Construction Inc.	Non-Compliant

ASCO Construction (Toronto) Limited	No Bid
Corebuild Construction Limited	No Bid
Nith Valley Construction	Withdrew
Hayman Construction Inc.	Withdrew

*Total bid price (including contingency, and excluding HST)

Of the bids submitted, and on advice from the Board's solicitor, the bid from Zehr Construction Inc. was determined to be a non-compliant bid and was rejected. Therefore, the bid submitted by D. Grant Construction Ltd., in the amount of \$15,797,000.00 (including contingency, and excluding HST), is recommended for acceptance, noting that the submitted bid meets the tender requirements and D. Grant Construction Ltd. was previously identified as qualified to undertake the work.

Through internal review, along with review by the Architect, it has been determined that the bid submitted by D. Grant Construction Ltd. is reasonable and appropriate for the scope of work of the project. There are no concerns with their bid being non-competitive.

The tender documents indicate a fourteen (14) month construction schedule, establishing an estimated substantial performance date in the fall of 2027. The baseline construction schedule will be established by the Contractor, following award, in accordance with the specifications and requirements.

Project Financial Status

EXPENDITURE	FORECAST	INCURRED
Preliminary Design	\$118,256	\$102,116
Detailed Design & Construction Administration	\$1,244,088	\$911,238
Demolition and Pre-Construction	\$905,624	\$360,530
Construction	\$15,797,000	\$0
Other Fees and Charges		\$115,061
Total	\$18,064,968	\$1,488,945
Approved Budget	\$19,250,000	
Budget Surplus / Deficit	\$1,185,032	

The plant transmission pipeline drain realignment, undertaken as part of the pre-construction work, came in over the estimated budget by \$109,000, but is a critical undertaking as the existing pipeline drain is in conflict with the footings of the new Administration Building. This pipe segment connects the transmission pipeline with the plant drain and outfall and is necessary to drain the transmission pipeline to undertake periodic repairs and maintenance activities.

The addition of the Solar Carport, an expense of \$1,036,000 which was not part of the original design concept but was approved as an addition to the scope to provide substantial Green Building and LEED benefits in order to meet the LEED certification requirements, as well as an estimated additional 3% offset in hydro consumption of the water treatment plant along with anticipated reductions in facility demand during peak Class A utility periods. Despite these factors, the overall project remains under budget and the estimated return on investment for the additional scope is well within the design lifetime of the solar panels.

Conclusion

The Lake Huron Primary Water Supply System construction of the Huron Water Treatment Plant – Administration Building Construction project continues to be a priority project. Significant milestones have been achieved with the completion of the demolition of the former garage and workshop space, construction initiation of the plant drain realignment, and completion of the tendering process.

On June 9, 2026, D. Grant Construction Ltd. submitted a bid in the amount of \$15,797,000.00 (including contingency and excluding HST) that was deemed compliant with the tender process, specifications and project requirements. Board staff recommend that the Board accept the bid, and authorize the Board Chair and Chief Administrative Officer to execute an agreement with D. Grant Construction Ltd., for the construction of the Huron Water Treatment Plant – Administration Building Extension.

Prepared by: Scott Koshowski, P.Eng.
Environmental Services Engineer

Submitted by: Billy Haklander, P. Eng., LL.M, FEC
Senior Manager, Capital Programs

Recommended by: Kelly Scherr, P.Eng., MBA, FEC
Chief Administrative Officer

Attachments: Appendix 'A' – Project Renderings

APPENDIX 'A'
Project Renderings



Aerial view from Waterworks Road looking south towards Bluewater Highway



View from Bluewater Highway at Waterworks Road looking northwest



View from Waterworks Road looking west



Parking lot view looking towards Bluewater Highway and Waterworks Road



Aerial view looking towards Bluewater Highway from the shoreline looking south