



WEST HANTS REGIONAL MUNICIPALITY REPORT

Information <input type="checkbox"/>	Recommendation <input checked="" type="checkbox"/>	Decision Request <input type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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To: Committee of the Whole

Submitted by: *T. Richard*
 Todd Richard, Director of Public Works

Date: January 13, 2026

Subject: Tender Award — Payzant Drive and King Street Upgrades

LEGISLATIVE AUTHORITY

Nova Scotia Municipal Government Act, Section 65 authorizes Council to expend funds for municipal purposes.

RECOMMENDATION or DECISION REQUEST

Committee of the Whole recommends that Council:

- 1. Approve the award of Tender WHRMPW25-15 — Payzant Drive and King Street Upgrades — to ITS Construction Inc. for the tendered price of \$4,272,564.00 before applicable taxes.**
- 2. Approve the construction phase engineering services to DesignPoint Engineering & Surveying Ltd. for the total price of \$91,524.00 before applicable taxes.**
- 3. Approve a construction contingency amount of \$654,613.20 before applicable taxes.**

BACKGROUND

Property <input checked="" type="checkbox"/>	Public Opinion <input type="checkbox"/>	Environment <input checked="" type="checkbox"/>	Social <input checked="" type="checkbox"/>	Economic <input checked="" type="checkbox"/>	Councillor Activity <input type="checkbox"/>
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The Payzant Drive connection to King Street in Windsor (see yellow dashed line, Figure 1-1) was included as a priority in the 2025/26 Capital Budget. The design work for this project was approved by Council in April, 2024. The project includes a new road extension of Payzant Drive

with a connection to King Street, as well as infrastructure improvements to King Street that were subsequently approved by Council in November, 2024. The extension of Payzant Drive and connection to King Street will allow for additional development off Payzant Drive, improved traffic flow, replacement of an aged section of the water system (circa 1883) and looping of the new Irven Drive Extension watermain. There is currently a Development Agreement in place for PID 45053030 and PID 45343894. The developer (Parsons Green Development) is responsible for this portion of the road construction shown as the blue dashed line in Figure 1-1.

The project includes the following infrastructure improvements:

- construction of Payzant Drive extension from PID 45343894 to connection with King Street, including concrete curb/gutter and sidewalk
- street reconstruction of King Street from between Sunnyhill / Campbell to former Town of Windsor limit, including new concrete curb/gutter and sidewalk
- installation of 340m of water main and service laterals to the property line
- installation of 190m of sanitary gravity pipe and service laterals to the property line
- installation of 330m of storm pipe

Figure 1-1. Project Location

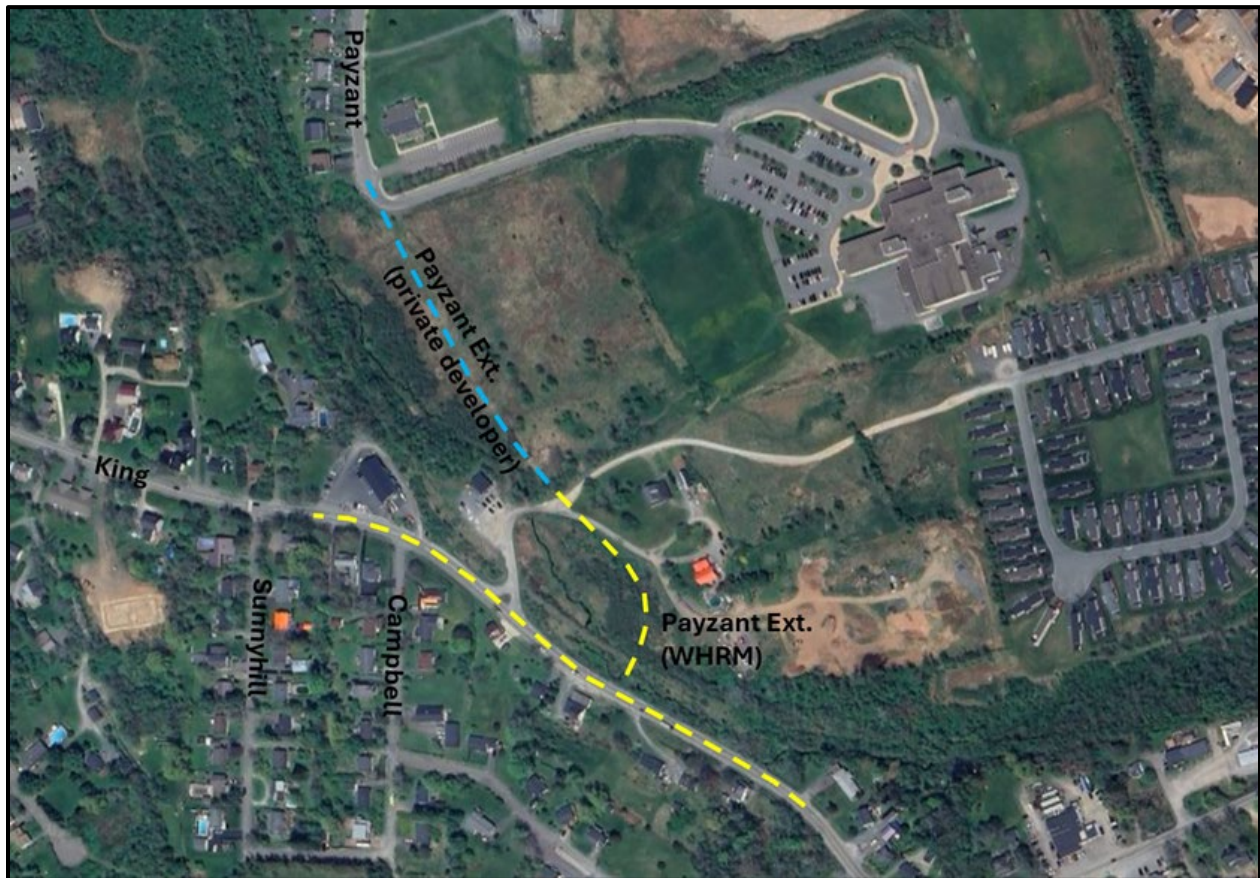
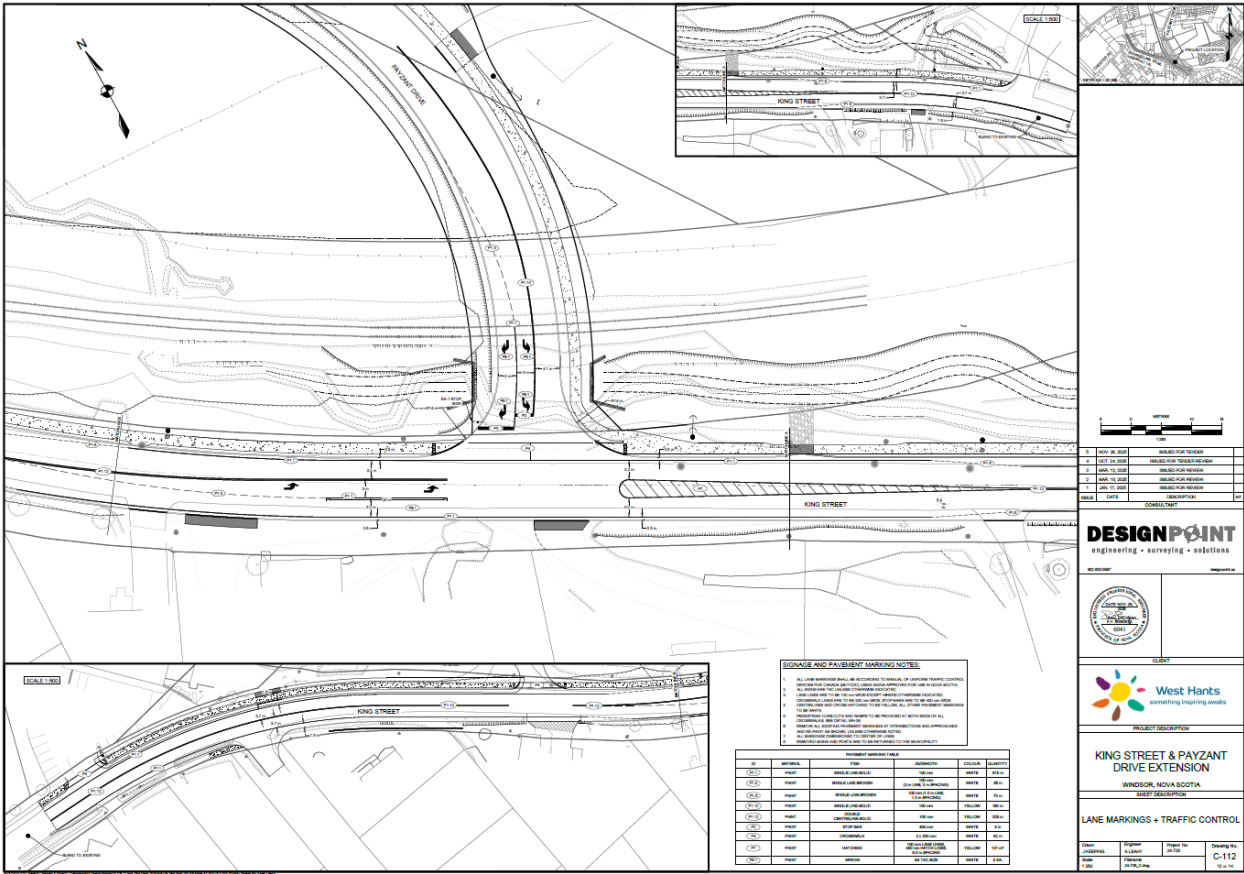


Figure 1-2. Connection of Payzant Drive Extension to King Street



DISCUSSION

The design work for this project was completed over the last year, and the project was tendered in November/December 2025. On December 18, 2025, three tenders were received before the closing deadline for construction services for the Payzant Drive and King Street Upgrades (Tender WHRMPW25-15), which were reviewed for mathematical checks and compliance by Engineering staff:

Tenderer	Tenderer’s Location	Price (before HST)
Dexter Construction Company Ltd.	Wolfville, NS	\$4,760,610.00
Gary Parker Excavating Ltd.	Kingston, NS	\$5,232,188.00
ITS Construction Inc.	Mt. Uniacke, NS	\$4,272,564.00

ITS Construction Inc. is the low bidder for this project. Their submission was fully compliant with the tender requirements, and they are therefore being recommended to Council for award of the project. ITS was established in 1996 with a primary focus on the petroleum industry. Over the years, the company has expanded into civil construction. ITS is affiliated with the NCL Group

of Companies Inc., one of Cape Breton’s largest heavy civil contractors. ITS has experience with similar projects across the province and uses its own workforce for all aspects of the work, with the exception of paving. Within the past year, ITS completed the Summer Street Renewal Project for the Village of Canning, as well as a major box culvert replacement for the Town of Wolfville.

The design and tender phase engineering services awarded by Council to DesignPoint Engineering & Surveying Ltd. (DesignPoint) totalled \$96,000.00 + HST. DesignPoint has submitted a cost proposal totalling \$91,524.00 + HST for the following construction phase engineering services:

- Prepare IFC drawings and signing documents
- Attend kickoff meeting (on Teams) and circulate minutes
- Bi-weekly construction meetings (on Teams) and circulate minutes
- Shop drawing approval
- Inspection support
- Construction administration support (answer contractor questions, respond to RFIs, prepare change orders, review progress claims)
- Materials testing (gravels, concrete and asphalt)
- Record drawing preparation

NEXT STEPS

Following the award of the contract by Council:

- Sign Form of Agreement with successful contractor.
- Issue Purchase Order to successful contractor.
- Project Engineer will be responsible for contract administration/management.
- Construction to be substantially completed by November 30, 2026.

FINANCIAL IMPLICATIONS

Procurement Timeline: 60 days

Posted to Procurement	November 27, 2025
Closing Date	December 18, 2026
Price Expiry Date	March 18, 2026
Days Remaining	64

2025-26 Capital Budget - Payzant to King Street Connection

Project Costs	
Road Rehabilitation	\$3,372,900.00
Water System	\$464,874.00
Sanitary System	\$120,766.00
Sidewalk Construction	\$314,024.00
Construction Sub-Total:	\$4,272,564.00
Engineering and Project Management	\$91,524.00
Contract Award Sub-Total:	\$4,364,088.00
15% Project Contingency:	\$654,613.20
Total (applicable taxes extra):	\$5,018,701.20
Applicable Taxes (3.86%):	\$193,721.87
Total Project Costs:	\$5,212,423.07
2025-26 Budget	
Less: Design incl. Applicable Taxes (Previously awarded)	\$100,118.40
Remaining Budget:	\$5,959,619.60
Variance (over)/under:	\$747,196.53
Project Funding	
Canada Community Building Fund	\$326,145.33
Sewer Capital Reserve	\$125,427.57
Capital Reserve	\$72,876.90
Post-Consolidation Funding	\$394,668.00
Long-Term Borrowing - General Rate	\$3,668,253.17
Long-Term Borrowing - Utility	\$625,052.11
Total Project Funding:	\$5,212,423.07

This has been a priority of Council over the last couple years. Though the project has come in under budget, the lack of third-party funding available has resulted in higher borrowing requirements to move this project forward. If Council chooses to proceed with this project, it may reduce future affordability of other capital decisions.

Total borrowing in the 2025-26 Capital Budget for the Payzant to King Street Connection was \$2,750,759. The total borrowing is now \$4,293,305.28, with the variance of \$1,542,546.28. The estimated debt-servicing for the Municipality is \$222,567.72, and for the Utility is \$37,924.43.

ALTERNATIVES

- Council may choose not to proceed with this project and cancel the construction tender (not recommended).
- Negotiate reduced scope of work with low bidder (not recommended).

ATTACHMENTS

- None

CHIEF ADMINISTRATIVE OFFICER REVIEW

The rationale for the project is provided in the report and has been discussed by Council thoroughly during past discussions. The project is a priority to note only accommodate existing and future developments but will improve traffic in an area that has high traffic levels.

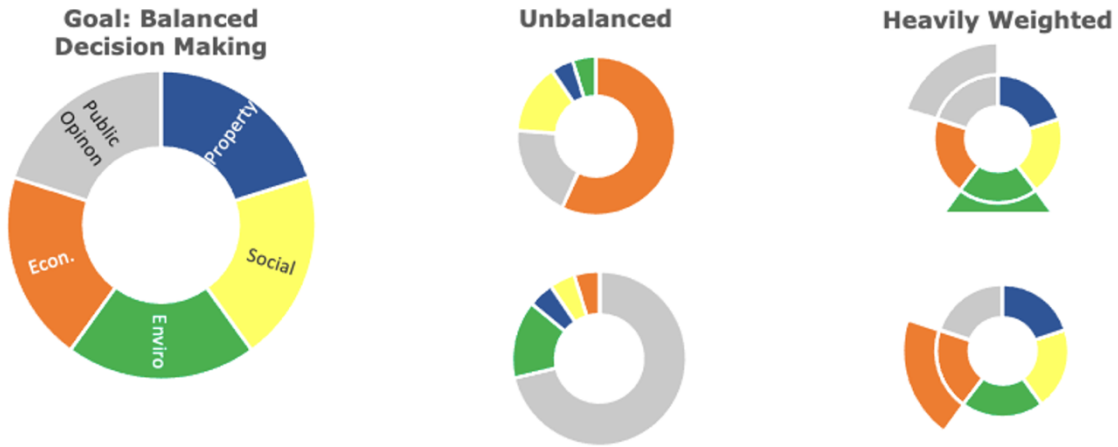
The following funding model was displayed in the 2025/26 Capital Budget:

\$155,790	Reserves
\$2,749,694	Provincial Funding
\$403,496	Federal Funding
<u>\$2,750,759</u>	<u>Long Term Borrowing (LTB)</u>
\$6,059,738	Total Project Estimate

Should Council proceed with the project as proposed and as funded, fiscal discipline and reprioritization of 2026/27 Capital projects requiring LTB may be required. The ongoing monitoring of the debt service ratio and its levels have been a primary focus with respect to “affordability”. As the budget vs actual values in relation to the anticipated borrowing for all capital projects scheduled for 2025/26 are calculated at year end this may provide a more optimistic outlook on the ratio if there are projects that were not completed and relied upon LTB. This may provide capacity overall in relation to LTB.

Pending Council’s discussions I do support the recommendation.

Council has been provided with a reference taken from the Meeting and Committee Procedural Policy , Appendix C “Decision Making by Council and Committee of the Whole” as a reminder of the principles highlighted for good decision making.



Report Prepared by: Tim B
Tim Bouter, Project Engineer

Report Reviewed by: T. Richard
Todd Richard, Director of Public Works

Report Approved by: Mark Phillips
Mark Phillips, Chief Administrative Officer