



September 20, 2023

Project # 23-001

Municipality of West Grey  
402813 Grey Road 4  
Durham, ON N0G 1R0

**Attn Mr. Geoff Aitken, Manager of Public Works**

**Re: Report and Recommendation on Award of Contract #WG23-21 for Repainting of Neustadt Elevated Water Storage Tank, Municipality of West Grey**

Dear Mr. Aitken,

This letter is to provide a recommendation on the Award of Contract #WG23-21 for Repainting of Neustadt Elevated Water Storage Tank. We have reviewed the tender bids submitted by the contractors and submit our findings in this letter.

Tenders were invited by way of bid hosting site and four (4) bids were received. The enclosed **Table 1** provides the summary of the Tender Prices received. All bidders submitted bid bond and agreement to bond as required. **Table 2** provides a comparison of the bid prices of tender items for the two (2) lowest bidders.

Dayson Industrial Services Inc. submitted the lowest bid price of \$1,408,780 excluding HST and Corrocoat submitted the second lowest bid price of \$1,545,130 excluding HST. The references were checked for two lowest bidders by inquiring about the followings:

- Any issue encountered pre & post tender award
- Completion of project on time and on budget
- Quality of their workmanship
- Safety concerns or issues
- Overall recommendation of the contractor and their workmanship
- Any other issues

**Dayson Industrial Services Inc.**

The contractor provided a list of five (5) projects and their contact information for reference check. We received feedback from:

- 1) Ryan Devries, B. M. Ross & Associates re: Mount Forest Standpipe.
- 2) James Su, P. Eng., OCWA re: Chesterville Tank and Bobcaygeon Elevated Tank

Both reviewers provided, overall good reviews for the contractor and did not highlight any serious concerns about contractors abilities to undertake the project to successful completion.

**Corrcoat Services Inc.**

The contractor provided a list of three (3) projects and contact information for reference check. We received feedback from:

- 1) Sandeep Sra, Project Engineer re: Painting contract in Edmonton, Kamloops and Burnaby.
- 2) Wade Secrist, Construction Manager, Enbridge Pipelines Inc. re: Firewater Tank for Enbridge.

Both reviewers provided, overall good reviews for the contractor and did not highlight any serious concerns about contactors abilities to undertake the project to successful completion.

Wade further indicated that Corrcoat has a Master Services Agreement with Enbridge, and they rely heavily on them for specialized tank roof and internal lining project. They have performed well for them in the past.

In view of the above review, it is apparent that two lowest bidders can complete project satisfactorily, to full satisfaction of the owner and engineer. Dayson has submitted lowest bid, so they should be awarded the contract.

**Project Construction Cost**

Dayson's tendered price is \$1,408,780 (excluding HST). It may be noted that if results of "lead paint test", and "adhesion test" of exterior paint are favourable, the project cost shall be reduced by approximately \$556,900 (excluding HST). Tender items 3, 5 and 9 shall not be expended, and the project cost will be reduced to approximately \$851,880 (excluding HST).

**Recommendation**

In view of the above, I recommend that the contract for Repainting of Neustadt Elevated Water Storage Tank in the Municipality of West Grey be awarded to Dayson Industrial Services Inc. for the total bid price of **\$1,408,780 (excluding HST)**.

Sincerely,

**GSS Engineering Consultants Ltd.**



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Rakesh Sharma, P. Eng., Secretary-Treasurer  
Designated Consulting Engineer

RS/nc  
Encl.

**TABLE 1 - TENDER BID RESULTS SUMMARY**  
**Repainting of Neustadt Elevated Water Storage Tank**  
**Municipality of West Grey**

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<b>Bidder</b>		<b>Bid Bond &amp; Agreement to Bond Received</b>	<b>Total Bid Amount (excluding HST)</b>
1	Dayson Industrial Services Inc., Ryan Butcher, President	Yes	\$1,408,780.00
2	Corrcoat Services Ltd., William Harris, Product Manager	Yes	\$1,545,130.00
3	Landmark Municipal Service ULC, Brent Marini, Director of Operations	Yes	\$2,130,900.00
4	MacDonald Applicators Ltd., Andrew MacDonald	Yes	\$2,145,989.51

**Table 2 - Comparison of Two (2) Lowest Bidders**  
**Repainting of Neustadt Elevated Water Storage Tank**  
**Municipality of West Grey**

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Item No.	Description	Unit	Est. Qty.	Corracoat Services Inc.		Dayson Industrial Services	
				Unit Price	Amount	Unit Price	Amount
1	Mobilization and demobilization	LS	LS	\$18,430.00	\$18,430.00	\$74,680.00	\$74,680.00
2	Supply & install scaffolding inside the tank	LS	LS	\$60,071.00	\$60,071.00	\$15,250.00	\$15,250.00
3	<b>Provisional:</b> Supply & install scaffolding outside the tank and provide total enclosure	LS	LS	\$418,825.00	\$418,825.00	\$347,560.00	\$347,560.00
4	Provide all equipment, material & labour to sandblast tank interior and disposal of waste	LS	LS	\$158,029.00	\$158,029.00	\$176,840.00	\$176,840.00
5	<b>Provisional:</b> Provide all equipment, material & labour to sandblast tank exterior and disposal of waste	LS	LS	\$91,268.00	\$91,268.00	\$84,540.00	\$84,540.00
6	Supply all equipment, material, labour for surface preparation and painting of the standpipe interior surface (with Zinc rich primer and polyurethane) , as specified	LS	LS	\$229,218.00	\$229,218.00	\$223,975.00	\$223,975.00
6.0 (a)	<b>Extra Credit:</b> Additional cost (credit) to apply zinc rich primer and epoxy as specified in lieu of polyurethane paint application in Tender Item 6.0	LS	LS	\$0.00	\$0.00	-\$1,200.00	-\$1,200.00
7	Supply all equipment, material and labour to <del>pressure-wash tank exterior</del> and undertake "Adhesion Test" to determine viability of repainting over existing paint, all as specified	LS	LS	\$1,175.00	\$1,175.00	\$9,920.00	\$9,920.00
7.0 (a)	<b>Provisional:</b> Pressure wash tank exterior	LS	LS	\$6,495.00	\$6,495.00	\$35,550.00	\$35,550.00
8	Supply all equipment, material, and labour to repaint tank exterior, by painting over existing paint lining, all as specified	LS	LS	\$235,699.00	\$235,699.00	\$106,895.00	\$106,895.00

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Item No.	Description	Unit	Est. Qty.	Corracoat Services Inc.		Dayson Industrial Services	
				Unit Price	Amount	Unit Price	Amount
9	<b>Provisional:</b> Supply all equipment, material, labour for surface preparation and painting of the standpipe exterior surface over sandblasted bare metal, as specified	LS	LS	\$97,797.00	\$97,797.00	\$124,800.00	\$124,800.00
10	<b>Provisional:</b> Supply all equipment, material, and labour to patch the interior pitting that is deeper than 50% of the nominal plate thickness with 150 mm x 150 mm x 6 mm thick plates	ea	4	\$1,100.00	\$4,400.00	\$550.00	\$2,200.00
10.0 (a)	<b>Provisional:</b> All equipment, material & labour to treat existing welds as specified	m	75	\$184.00	\$13,800.00	\$200.00	\$15,000.00
11	Preparation and approval of shop drawings for Corrosion Protection system.	LS	LS	\$425.00	\$425.00	\$2,500.00	\$2,500.00
12	Supply & installation of corrosion protection system, testing, commissioning, and training to Municipal personnel	LS	LS	\$37,994.00	\$37,994.00	\$25,035.00	\$25,035.00
13	Flushing, cleaning, and disinfection of standpipe prior to placing into service	LS	LS	\$4,997.00	\$4,997.00	\$4,950.00	\$4,950.00
14	Collect existing paint lining samples and lab analysis for lead presence	LS	LS	\$495.00	\$495.00	\$5,900.00	\$5,900.00
15	<b>Provisional:</b> Contractor's cost to handle lead presence in existing paint on tank's interior surfaces	LS	LS	\$8,348.00	\$8,348.00	\$37,265.00	\$37,265.00
16	<b>Provisional:</b> Contractor's cost to handle lead presence in existing paint on tank's exterior surfaces	LS	LS	\$9,550.00	\$9,550.00	\$22,965.00	\$22,965.00
17	Bonding & Insurance	LS	LS	\$17,424.00	\$17,424.00	\$19,500.00	\$19,500.00
18	Lump Sum to cover other requirements of the contract not specifically covered by or related to the preceding items hereof	LS	LS	\$85,690.00	\$85,690.00	\$29,655.00	\$29,655.00
19	Contingency allowance (to be expended only on the written order of the Engineer)	LS	LS	<b>\$45,000.00</b>	<b>\$45,000.00</b>	<b>\$45,000.00</b>	<b>\$45,000.00</b>
<b>TOTAL TENDER PRICE (excluding HST)</b>					<b>\$1,545,130.00</b>		<b>\$1,408,780.00</b>