

Report to Infrastructure and Corporate Services Committee

To: Chair and Members
Infrastructure and Corporate Services Committee

From: Kelly Scherr, P. Eng., MBA, FEC, Deputy City Manager,
Environment & Infrastructure

Subject: Contract Amendment: Detail Design for Southdale Road West
Improvements

Date: April 20, 2026

Recommendation

That, on the recommendation of the Deputy City Manager, Environment and Infrastructure, the following actions **BE TAKEN** with respect to the additional engineering fees for the detail design of the Southdale Road West Improvements:

- (a) The contract with Dillon Consulting Limited **BE INCREASED** by \$439,674.39, from \$853,614.60 to a total amended value of \$1,293,288.99, excluding HST, to expand the project limits to address road slope instability and update field data and design requirements to support tendering of the Southdale Road West Improvements, in accordance with Section 29.2.2 and Section 29.2.4 of the Procurement of Goods and Services Policy;
- (b) The financing for the contract award and contract amendment **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix A;
- (c) The Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with the contract award and contract amendment; and,
- (d) The Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

Executive Summary

This report seeks Council approval to increase the existing engineering consultant contract with Dillon Consulting Limited for the Southdale Road West Improvements by \$439,674.39, from \$853,614.60 to \$1,293,288.99, to expand the project limits to address road stability needs and update field data and design requirements to support approvals and tendering of the Southdale Road West Improvements contract.

The detail design project commenced in 2019 and in 2022 construction of the improvements was deferred due to financial pressure on the City Service Roads Reserve Fund due to Covid-period construction program cost inflation. Additional design and field work are now required to expand the project limits to address an area of slope instability risk and comply with current legislation and approval requirements.

The installation of new watermain on Wickerson Road will be included in the Southdale Road West Improvements tender. Urban upgrades to Wickerson Road will be implemented at a later date coordinated with adjacent development.

Tender preparation is anticipated to be completed later this year, with construction expected to begin in 2027, subject to funding and approvals.

Linkage to the Corporate Strategic Plan

Municipal Council's 2023-2027 Strategic Plan identifies Mobility and Transportation as a strategic area of focus. This report supports the Strategic Plan by identifying and designing infrastructure that provides safe, integrated, connected, reliable and efficient transportation choices.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- Civic Works Committee – February 20, 2019 – Environmental Study Report
- Civic Works Committee – July 23, 2019 – Southdale Road West and Wickerson Road Improvements Detail Design & Tendering Appointment of Consulting Engineer
- Civic Works Committee – March 29, 2022 – Contract Award: Tender RFT 21-97 Adelaide Street North CPR Underpass Project – Irregular Result
- Strategic Priorities and Policy Committee – July 17, 2025 – Mobility Master Plan Notice of Completion
- Planning and Environment Committee – December 2, 2025 - Official Plan Review: Final Urban Growth Boundary Review

1.2 Background

Southdale Road West is identified as a Civic Boulevard in the London Plan and serves as a key link in the City of London's mobility network. The July 2025 Council-approved Mobility Master Plan recommends this corridor for near-term (now to 2035) road improvements, including sidewalks and cycling infrastructure. Wickerson Road is classified as a Neighbourhood Connector and is identified in the Mobility Master Plan for road improvements in the medium-term (2035-2045).

The current Urban Growth Boundary includes lands north of Southdale Road from approximately 600 m east of Wickerson Road to the eastern project limits. The December 2025 Council-endorsed Urban Growth Boundary expansion would extend the boundary to include the full Southdale Road project limits and surrounding lands. The boundary expansion is proposed to include lands on both sides of Wickerson Road. Therefore, urbanization of Wickerson Road is planned to be coordinated with the adjacent developments consistent with policies related to neighbourhood connector streets and the near-term work on Wickerson Road is limited to new watermain installation to support future growth.

In 2019, Dillon Consulting Limited completed a Municipal Class Environmental Assessment (EA) to identify preferred improvements for Southdale Road and Wickerson Road. Dillon was selected through a competitive procurement process in accordance with the previous Procurement of Goods and Services Policy (Section 15.2(e)). Based on their experience and strong performance during the EA, Dillon was subsequently retained in 2019 to complete detail design and tender preparation, providing efficiencies and avoiding duplication of work.

West of the project limits, there is ongoing pavement and roadside safety maintenance required on Southdale Road between Wickerson Road and Westdel Bourne. For many years, the City has undertaken repeated asphalt repairs and guide rail realignment in this area, attributed to instability of the embankment adjacent to Dingman Creek. In 2024 the City hired another consultant through a separate contract to complete a preliminary assessment of slope stability concerns and recommend improvements to provide a long-term solution to this issue. It is recommended to expand the project limits to address this ongoing risk and maintenance need.

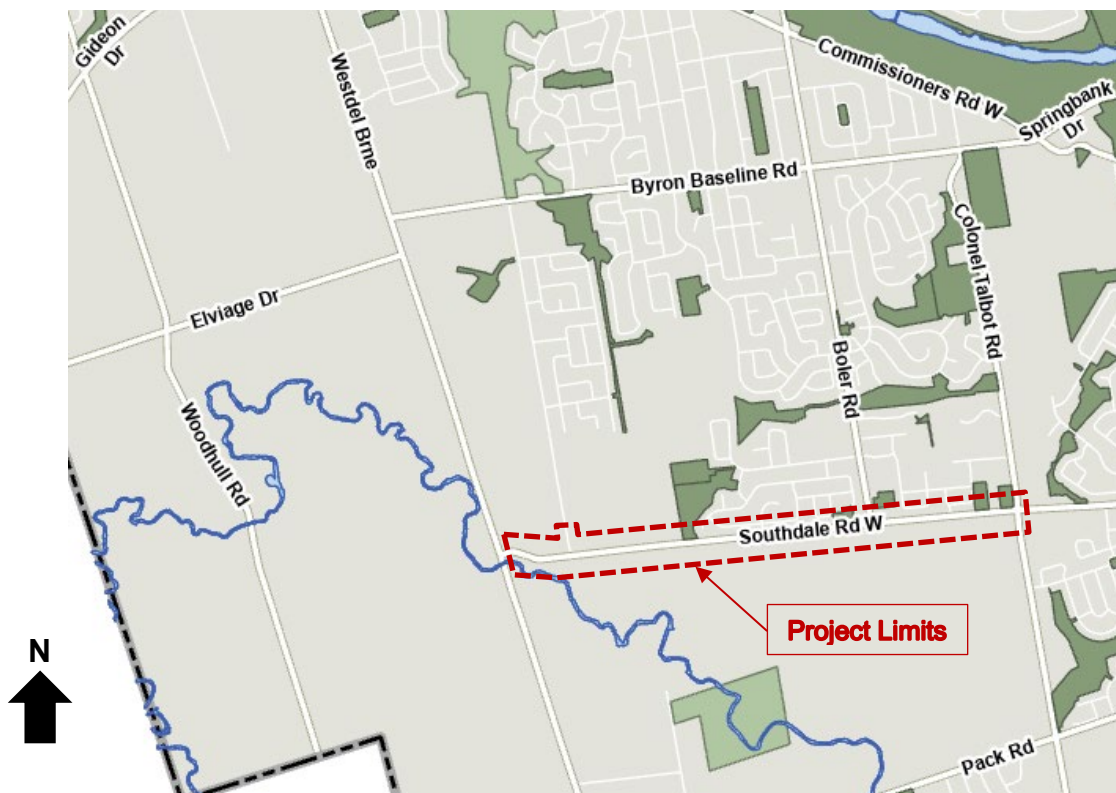


Figure 1: Southdale Road Improvements Project Limits

2.0 Discussion and Considerations

2.1 Discussion

Dillon Consulting Limited has prepared a proposal to complete the additional design and environmental work required to expand the limits of the project to address Southdale Road slope instability and update field work and contract design items. This includes extending the project limits west to incorporate the slope stability improvements into the overall project.

The negotiated consultant fees for this scope change include the:

1. Slope Stability Improvements: Complete detail design of slope stability improvements, including geotechnical investigations, roadway grading and drainage design, topographical survey, Stage 1 archaeological assessment, and roadside safety design. The geotechnical investigations include the installation and monitoring of two monitoring wells.
2. Environmental: Additional field studies are required for the expanded project limits. Additional field work is also required to confirm the previous natural environmental conditions. The findings will be documented to support permitting and approvals for the project. A tree inventory, arborist report and tree protection and replacement plans must all be revised to reflect the new field surveys. Dillon Consulting Limited will prepare and submit applications to regulatory agencies to obtain the required permits and/or approvals for the project.
3. Stormwater Management Design: The expanded limits to address slope stability requires stormwater management analysis and reporting. Scope includes an additional meeting with Upper Thames Region Conservation Authority (UTRCA) to confirm the proposed works within their permitting area.
4. Electrical Engineering: Previously completed design must be updated to reflect current standards. Streetlight design proposed on London Hydro utility poles will be reassessed based on the final London Hydro relocation design.

5. Excess Soil Investigations: Field investigations consist of boreholes to sample existing soils and conduct quality analysis. The initial project commenced prior to the enactment of current provincial excess soils regulations.
6. Roadway and Municipal Engineering: Utilities must be re-engaged to coordinate relocation where these works did not proceed in 2022. The Wickerson Road watermain alignment and design must be revised to avoid sensitive archaeology areas.
7. Public Consultation: As the project has been on hold since 2022, an additional public update meeting will be held during the detail design phase. The scope of work also includes additional private landowner meetings to discuss construction mitigation measures and impacts to property and driveways.
8. Stage 4 Archaeology Assessment: Significant archaeology has been required beyond what was included in the original scope of work.
9. Additional Detail Design Tasks: Other additional design work which has been required includes:
 - Additional test holes to confirm underground utility locations;
 - Review of two existing stormwater management pond facilities to examine potential improvements that could reduce potential flooding impacts;
 - Initial background review of the provincial excess soil regulations;
 - Additional interim construction cost estimates.

The fees include a 10% contingency in the event of unforeseen requirements. Subject to project performance, Dillon Consulting Limited will be considered for the construction administration phase of the project.

2.2 Procurement Process

Extending the current design assignment with Dillon Consulting Limited provides value by leveraging previously completed design work, reducing duplication, and minimizing additional mobilization and learning costs. Further, the slope stability improvements immediately adjacent to the original project limits can be easily incorporated and provide efficiency during construction. Cost efficiency and value are achieved in this approach as the consultant has detailed knowledge of the approved EA, prior design decisions, and site-specific constraints.

As per Schedule A, Section 3.1 of the Procurement of Goods and Services Policy, City Council must authorize contract amendments when the total amended value of the contract will exceed the Council approved source of financing by an amount greater than \$133,800 above the original contract value.

3.0 Financial Impact/Considerations

The total funding required to complete the additional detail design activities is available in the approved budget for this project. The Source of Financing Report is appended to this report as Appendix A. The amended contract value includes a contingency in the event of unforeseen requirements.

Conclusion

Additional engineering design and environmental work is required to expand and update the Southdale Road Improvements and Wickerson Road watermain installation contract. Much of this additional work is required to address an adjacent area of road slope instability and comply with current legislation and approval requirements. In accordance with the City's Procurement of Goods and Services Policy, Council approval is being sought for procurement.

It is recommended that Dillon Consulting Limited's contract be increased by \$439,674.39, from \$853,614.60 to \$1,293,288.99, to complete additional design and environmental work required to advance detail design and tendering for the Southdale Road West Improvements.

The tender preparation for the construction of Southdale Road improvements and Wickerson Road watermain installation is anticipated to be completed later this year to allow for construction to start in 2027, subject to funding and approvals.

Prepared by: Sarah Grady, P. Eng.
Division Manager, Transportation Planning & Design

Submitted by: Doug MacRae, P. Eng., MPA
Director, Transportation & Mobility

Recommended by: Kelly Scherr, P. Eng., MBA, FEC
Deputy City Manager, Environment & Infrastructure

Attach: Appendix A - Source of Financing

c: Subrat Acharya, Technologist
Martin Van Haren, P.Eng., Transportation Design Engineer

Appendix "A"

#26046

April 20, 2026

(Contract Amendment)

Chair and Members
Infrastructure and Corporate Services Committee

RE: Contract Amendment: Detailed Design for Southdale Road West Improvements
(Subledger RD160014)

Capital Project TS1407-2 - Southdale-Wickerson Road to Byronhills Drive
Dillon Consulting Limited \$439,674.39 (excluding HST and including Contingency)

Finance Supports Report on the Sources of Financing:

Finance Supports confirms that the cost of this project can be accommodated within the financing available for it in the Capital Budget and that, subject to the approval of the recommendation of the Deputy City Manager, Environment and Infrastructure, the detailed source of financing is:

Estimated Expenditures	Approved Budget	Committed To Date	This Submission	Balance for Future Work
Engineering	1,772,004	1,312,529	447,413	12,062
Construction	7,837,344	7,240	0	7,830,104
Land Purchase	741,609	716,222	0	25,387
Utilities	838,943	473,954	0	364,989
City Related Expenses	100,000	4,981	0	95,019
Total Expenditures	\$11,289,900	\$2,514,926	\$447,413	\$8,327,561

Sources of Financing

Debenture By-law No. W.-5607-237 (Note 2)	1,422,858	316,954	56,387	1,049,517
Drawdown from City Services - Roads Reserve Fund (Development Charges) (Note 1)	6,612,670	2,197,972	391,026	4,023,673
Debenture By-law No. W.-5607-237 (Serviced through City Services - Roads Reserve Fund (Development Charges)) (Note 1 and 2)	3,254,372	0	0	3,254,372
Total Financing	\$11,289,900	\$2,514,926	\$447,413	\$8,327,561

Financial Note :

Contract Increase	399,704
Add: Contingency	39,970
Total Excluding Taxes	<u>439,674</u>
Add: HST @13%	57,158
Total Contract Including Taxes	<u>496,832</u>
Less: HST Rebate	<u>-49,419</u>
Net Increase Price	<u><u>\$447,413</u></u>

Note 1: Development charges have been utilized in accordance with the underlying legislation and the approved 2019 Development Charges Background Study and the 2021 Development Charges Background Study Update.

Note 2: Administration hereby certifies that the estimated amounts payable in respect of this project does not exceed the annual financial debt and obligation limit for the Municipality from the Ministry of Municipal Affairs in accordance with the provisions of Ontario Regulation 403/02 made under the Municipal Act.

Note to City Clerk: The City Clerk be authorized to increase By-law No. W.-5607-237 by \$3,797,400 from \$897,830 to \$4,677,230.

Jason Davies
Manager, Financial Planning & Policy

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