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<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON March 8, 2016</b>
<b>FROM:</b>	<b>JOHN BRAAM, P. Eng. MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES &amp; CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>CONTRACT AWARD: TENDER NO. 16-05 2016 INFRASTRUCTURE RENEWAL PROGRAM FLORENCE STREET AND KELLOGG LANE RECONSTRUCTION PROJECT</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contracts for the 2016 Infrastructure Renewal Program, Florence Street and Kellogg Lane Reconstruction Project:

- (a) the bid submitted by J-AAR Excavating Limited (J-AAR), at its tendered price of \$5,783,877.00, excluding HST, **BE ACCEPTED**; it being noted that the bid submitted by J-AAR, was the lowest of six bids received and meets the City's specifications and requirements in all areas;
- (b) Dillon Consulting Ltd., **BE AUTHORIZED** to carry out the resident inspection and contract administration for the said project in accordance with the estimate, on file, at an upset amount of \$490,425.38 excluding HST, based upon the Fee Guideline for Professional Engineering Services, recommended by the Ontario Society of Professional Engineers; and in accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, noting that this firm completed the engineering design for this project;
- (c) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (d) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (e) the approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order for the material to be supplied and the work to be done relating to this project (Tender 16-05); and
- (f) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

<b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b>
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Appointment of Consulting Engineers, Infrastructure Lifecycle Renewal Program 2015-2016, Civic Works Committee, May 26, 2014.

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## 2015-19 STRATEGIC PLAN

The 2015 – 2019 Strategic Plan identifies this objective under Building a Sustainable City: 1B – Manage and improve our water, wastewater and stormwater infrastructure and services.

## BACKGROUND

### **Purpose:**

This report recommends award of a tender to a contractor and continuation of consulting services for the reconstruction of:

Florence Street from Egerton Street to Eleanor Street, and  
Kellogg Lane from Dundas Street to Florence Street

Infrastructure replacement needs have been coordinated within the Environmental and Engineering Services Department with support from Planning and Development for efficient use of funds during construction. The project budget has been included in the proposed 2016 Wastewater & Treatment, Water and Transportation Capital Works Budgets.

### **Discussion:**

This Infrastructure Renewal project includes the following improvements:

- replacement of sanitary sewers;
- construction of new storm sewers;
- watermain and water services on Florence Street between Kellogg Lane and Eleanor Street, and on Kellogg Lane from Florence Street to Dundas Street (Florence Street from Egerton Street to Kellogg Lane previously replaced in 1991);
- full road reconstruction, including new asphalt, curb and gutter, sidewalks.

A Project Location map is included for reference in Appendix B.

Florence Street and Kellogg Lane have been identified as a high priority in the replacement programs due to the poor condition of the municipal infrastructure. The sewers on these streets were originally installed between 1917 and 1922, and have reached the end of their life expectancy. The existing sewers on Florence Street and Kellogg Lane are currently combined sewers, which convey a combination of both sanitary flow and stormwater. The reconstructed sewers will be separate sanitary and storm sewers. The storm sewer outlet for this project is the Burbrook Trunk storm sewer. The Burbrook Trunk storm sewer microtunnelling project under the CN rail crossing is currently underway and is expected to be completed prior to the start of the Florence/Kellogg project. Subsequent projects in the area will permit the further removal of existing combined sewers in future years. There is additional complexity associated with this project due to the need to undertake significant groundwater dewatering to accommodate the trunk storm sewer installation, which is approximately 5.5m-6m deep.

The existing watermain on Kellogg Lane is 150mm cast iron installed in 1911 and 400 mm ductile iron installed in 1978. There are two existing watermains on Florence Street east of Kellogg Lane to Eleanor Street; a 150 mm cast iron watermain installed with an unknown installation date, estimated as 1900, and a 600 mm concrete pipe installed in 1981. The older cast iron watermain is at the end of its life expectancy. The newer

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ductile iron and concrete pipe could not be maintained in its current location with the need to install the new sewers, particularly considering the depth of the new storm sewer to be installed and with the existing poor soil conditions on Florence Street. It was determined that the best option was to replace the watermain in a new location within the project after the new storm sewer has been installed.

A public information session was held on November 18, 2015 specifically for all owners and residents within and immediately bordering the project area to address questions and concerns.

This project will require the complete closure of Florence Street from early April until September 2, 2016 to accommodate installation of the trunk storm sewer. The contract includes an interim completion date requirement of September 2, 2016 to permit Florence Street to be reopened prior to the Western Fair.

### **Service Replacement:**

In conjunction with the construction of this Capital Works Project, the City is administering the Private Drain Connection (PDC) program which allows property owners within the projects limits an opportunity to voluntarily replace their PDC's at a subsidized cost under the authority of City By-laws. As part of this project, the water service connection will be replaced to the property line at the City's cost and the property owner may elect to replace their private side connection at their cost. Homeowners may be eligible to participate in the Lead Service Extension Replacement Loan Program.

### **Tender Summary:**

Tenders for the 2016 Infrastructure Renewal Program, Florence Street and Kellogg Lane Reconstruction Project were opened on February 3, 2016. Six (6) contractors submitted tender prices as listed below, excluding HST.

<b>CONTRACTOR</b>		<b>TENDER PRICE SUBMITTED</b>	<b>CORRECTED TENDER PRICE</b>
1.	J-AAR Excavating Limited	\$5,783,877.00	
1.	Elgin Construction Ltd.	\$6,209,383.36	
2.	L-82 Construction Limited	\$6,329,141.33	\$6,334,091.33
3.	Bre-Ex Construction Inc.	\$6,414,929.72	
4.	Omega Contractors Inc.	\$6,687,251.84	
5.	Blue-Con Construction	\$6,698,000.00	\$6,696,564.00

All tenders have been checked by the Environmental and Engineering Services Department and the City's consultant, Dillon. Two of the submitted tenders were found to contain minor mathematical errors; however the order of the bidders remains.

The tender estimate just prior to tender opening was \$5,942,863.65, excluding HST. The low tender is 3% below the estimate indicating a competitive environment and illustrates the benefit of tendering projects early in the construction season. All tenders include a contingency allowance of \$900,000.00.

Additional annual operating costs for Sewer Operations in the amount of \$200 are attributed to new infrastructure installation.

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**Consulting Services:**

Dillon was awarded the detailed design by Council on June 10, 2014. Due to their knowledge and experience with this project, Dillon was requested to submit a proposal to carry out the contract administration and resident supervision for this project. In accordance with Section 15.2 (g) of the City of London’s Procurement of Goods and Services Policy, the Civic Administration is recommending that Dillon be authorized to carry out the remainder of engineering services to complete this project for the provided fee estimate of \$490,425.38, excluding HST, noting the upset amount for total engineering services for the project is \$937,838.28 excluding HST, spread over 2014 – 2016.

**Conclusions:**

Award of the 2016 Infrastructure Renewal Program, Florence Street and Kellogg Lane Reconstruction Project to J-AAR Excavating Limited will allow the project objectives to be met within the available budget.

The use of Dillon, for the remainder of engineering services for this project is in the best financial and technical interests of the City.

**Acknowledgements:**

This report was prepared within the Wastewater and Drainage Engineering Division by Kyle Chambers, P. Eng., Environmental Service Engineer with input from Pat Lupton, P.Eng., Environmental Service Engineer, Water Engineering Division.

<b>SUBMITTED BY:</b>	<b>CONCURRED BY:</b>
<b>TOM COPELAND, P. ENG. DIVISION MANAGER WASTEWATER AND DRAINAGE ENGINEERING</b>	<b>JOHN LUCAS, P. ENG. DIRECTOR, WATER AND WASTEWATER</b>
<b>RECOMMENDED BY:</b>	
<b>JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES &amp; CITY ENGINEER</b>	

February 29, 2016

KJC/kjc

Attach: Appendix “A” – Sources of Financing  
Appendix “B” – Project Location Map

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c.c. Roland Welker  
Edward Soldo  
Dillon

John Freeman  
Ugo DeCandido

Pat Shack  
J-AAR

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## Appendix 'B'



# 2016 Infrastructure Renewal Program

### Contract 9 - Location Map

Florence Street from Egerton Street to Eleanor Street  
Kellogg Lane from Florence Street to Dundas Street

