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<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING OF JUNE 8, 2016</b>
<b>FROM:</b>	<b>JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES &amp; CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>APPOINTMENT OF CONSULTING ENGINEERS FOR THE CORE AREA SERVICING STUDIES RFPs 16-14, 16-15, 16-16 (IRREGULAR)</b>

<b>RECOMMENDATION</b>
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That, on the recommendation of the Managing Director, Environmental and Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to appointment of consultants for the Core Area Servicing Studies in the City of London:

- a) The following Consulting Engineering firms **BE AUTHORIZED** to carry out the engineering assignment including but not limited to technical reviews, modelling and stakeholder consultation, at the upset amounts identified below, in accordance with the estimate on file, 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:
  - i. RFP 16-14 Core Area Servicing Study – Water: AECOM Canada Limited (AECOM) in the amount of \$230,164 including contingency and provisional items, excluding HST, it being noted that the submission by AECOM was an irregular result (only one bid received) but meets the City's specifications and requirements in all areas;
  - ii. RFP 16-15 Core Area Servicing Study – Wastewater: G.M. Blueplan Engineering Limited (GM Blueplan) in the amount of \$160,517 including contingency, excluding HST;
  - iii. RFP 16-16 Core Area Servicing Study – Stormwater: AECOM Canada Limited (AECOM) in the amount of \$271,563 including contingency and provisional items, excluding HST;
- b) the financing for the project **BE APPROVED** in accordance with 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 this work;
- d) the approvals given herein **BE CONDITIONAL** upon the Corporation entering into a formal engineering agreements with the consultants for the work; and
- e) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

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**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

- February 2, 2016      “Initiation Report: Core Area Servicing Studies”, Civic Works Committee
  
- January 28 2016      “Downtown Infrastructure Planning and Coordination,” Civic Works Committee
  
- November 9, 2015    “Shift Rapid Transit Update,” Strategic Priorities and Policy Committee
  
- June 23, 2014        “Approval of 2014 Development Charges By-law and DC Background Study,” Strategic Priorities and Policy Committee
  
- August 27, 2012      “Master Servicing and 2014 Development Charge Studies Consultant Appointment,” Strategic Priorities and Policy Committee.
  
- April 30, 2012        “Initiation Report 2014 Development Charges Background Study and DC By-law Update,” Strategic Priorities and Policy Committee

**2015-2019 STRATEGIC PLAN**

The 2015-2019 Strategic Plan identifies this objective under Building a Sustainable City:

5B – Build new transportation, water, wastewater and storm water infrastructure as London grows;

and, under Leading in Public Service:

3A – Make sure that finances are well-planned to keep costs as low as possible and look to limit the burden on current and future rate payers.

**BACKGROUND**

**Purpose:**

This report bundles the appointment of three consulting engineering assignments to complete the Core Area Servicing Studies (CASS) to identify future growth infrastructure and the splits between growth related and lifecycle costs for piped infrastructure in the core. Funds have been allocated in the Water and Sewer Capital Budgets and have been identified in the 2014 Development Charges Study to support the engineering work for these projects as identified in the “Sources of Financing Report”, Appendix “A”.

**Context:**

A limited analysis of built area growth infrastructure needs was performed as part of the 2014 DC Study master plans. Contingency projects were included for the purposes of rate recovery and to serve as a source for DC funding for future infrastructure projects associated with development along the City’s transit nodes and corridors. However, the DC Study line item was provisional pending further study to identify projects that could be assigned DC funding. Recognizing this need, the 2014 DC Study contained a project for “Infill and Intensification Nodes Servicing Studies (DC14-GS0023); as a result, the CASS will be fully funded from DC sources.

An initiation report was tabled at Civic Works on February 2, 2016 that concluded a DC study which identifies future water, sanitary and stormwater servicing needs to support

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intensification emerging from the London Plan is needed. Although Development Charge (DC) rates are currently being recovered for intensification-related growth infrastructure, the CASS is required in order to determine specific projects to alleviate potential constraints and allow for continued intensification while ensuring that DC funding can be appropriately assigned to projects.

Completion of the CASS will ensure that “growth pays for growth” and that water and sewer rate payers are not funding infrastructure that should be supported by DC rates. Once the CASS recommendations are adopted, the Growth Management Implementation Strategy will be updated to include Core Area infrastructure projects required to service demand for the 20 year period ending in 2033.

### **Discussion:**

Many of the watermains located in the Core Area are some of the oldest in the City which were originally constructed to service residential homes and small-scale commercial establishments. Given the anticipated intensification of the area as it transforms, a review is required of needed water works based on updated hydraulic modelling. The water study will seek to answer the following:

1. What will the local servicing requirements be in order to service the anticipated intensification?
2. What improvements might be needed in the trunk watermain system that conveys domestic water and fire flow to this area in order to meet the requirements for re-development and future growth?

The Core Area includes some of the City’s oldest sanitary sewers, many of which were constructed over 150 years ago. Servicing a residential building up to 20 to 30 storeys is significantly different than what these sewers were originally intended to service. Further, certain areas of the Downtown are challenged for growth as combined sewers for both sanitary and stormwater exist along King Street and York Street. Environmental and Engineering Services is in the process of developing sanitary models that will be able to confirm existing sewer performance and allow growth scenarios to be analysed to facilitate planning for future sanitary infrastructure in the Core Area.

In planning for growth and intensification in the Core Area, the study will seek answers to the following:

1. What available capacity currently exists in the sanitary system?
2. What is the anticipated future population growth?
3. What upgrades to the sanitary system will be needed to support growth?

From a stormwater perspective, there are two components that require investigation to determine the available conveyance capacity for future growth. The two components include the storm sewer system and the overland flow route system.

1. During large storm events, the storm sewer system capacity may be exceeded resulting in the utilization of overland flow routes for conveyance of the excess stormwater.
2. Overland flow routes typically consists of roadways within the Downtown area. The study will document the existing conveyance utilization of the storm sewers and overland flow routes and identify where capacity is available or deficient in respect to future growth.

It is possible that the number and cost of projects identified through the CASS will exceed what can be afforded through present DC rates (for the growth share) and water and sewer rates (for the non-growth share). The CASS consultants will make recommendations on the phasing of infrastructure projects, recognizing these constraints, which may result in

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the need to phase growth opportunities within the Downtown and other areas within the CASS boundary.

Given that significant roads and utilities construction is required for the Core Area in the coming years, the CASS will also address the coordination of growth-related sewers and watermains with the planned construction of other services (e.g., roadworks for rapid transit investments). Aligning infrastructure project construction and incorporating economies of scale that limit disruption to downtown residents and businesses while providing a savings to DCs will be explored in detail.

The results of CASS will be used for initiatives such as updates to the GMIS, the 2019 DC Study, Rapid Transit coordination, and the Pollution Prevention and Control Plan.

**Water CASS Procurement – Irregular Result:**

In accordance with the Purchasing Policy a procurement process that follows the Council approved policy under section 19.4 (b) and (c) can award single proponents a contract for engineering services if:

- b) In the event that only one bid is received in response to a request for competitive bid, the bid may be opened and evaluated in accordance with the City’s usual procedures when, in the opinion of the Managing Director (or delegate) and the Manager of Purchasing and Supply, the bid should be considered by the City. If, after evaluation by the Managing Director (or delegate) and the Manager of Purchasing and Supply, the bid is found not to be acceptable, they may follow the procedures set out in Section 19.3.a., with necessary modifications.
- c) In the event that the bid received is found acceptable, it will be awarded as an Irregular Result under Schedule A of this Policy.

AECOM has shown their competency and expertise with consulting engineering assignments of this type and have provided good performance in the past on City projects. City staff continue to foster a collaborative working relationship with these consultants that focuses on achieving the highest service performance for municipal infrastructure to the benefit of development charge rate payers and taxpayers in the long term.

**Stormwater and Wastewater CASS Procurement:**

In accordance with Section 15.2(g) of the Procurement of Goods and Services Policy, Civic Administration is recommending that these firms (AECOM and GM Blueplan) be authorized to carry out engineering services to complete these two projects. The use of these firms for the noted projects is of financial advantage to the City due to the fact that these firms have specialized technical and financial knowledge of projects of this type and scope.

<b>CONCLUSION</b>
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The use of these Professional Consulting Engineering firms (AECOM and GM Blueplan) for the three CASS assignments is in the best financial and technical interests of the City and will allow the project objectives to be met on time and within the available budget.

**Acknowledgement:**

This report was prepared with the assistance of Paul Yeoman, Manager Development Finance, Erik Veihittaio, P.Eng., Environmental and Engineering Services Engineer from Wastewater and Drainage Engineering, Tom Copeland, P.Eng., Division Manager Wastewater and Drainage Engineering, David Gough, P.Eng., Environmental and Engineering Services Engineer from Stormwater Engineering, and Aaron Rozentals

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P.Eng., Environmental and Engineering Services Engineer from Water Engineering.

<b>PREPARED BY:</b>	<b>SUBMITTED BY:</b>
<b>MATT FELDBERG MANAGER, DEVELOPMENT FINANCE FINANCE AND CORPORATE SERVICES</b>	<b>JOHN LUCAS, P.ENG. DIRECTOR, WATER AND WASTEWATER ENVIRONMENTAL AND ENGINEERING SERVICES</b>
<b>RECOMMENDED BY:</b>	<b>REVIEWED AND CONCURRED BY:</b>
<b>JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER</b>	<b>MARTIN HAYWARD, CGA, CPA MANAGING DIRECTOR, CORPORATE SERVICES AND CITY TREASURER, CHIEF FINANCIAL OFFICER</b>

May 30, 2016

c.c. Jim Kennedy, LDI  
Chris Hamel, GM Blueplan Ltd.  
John Hassen, AECOM Canada Ltd.

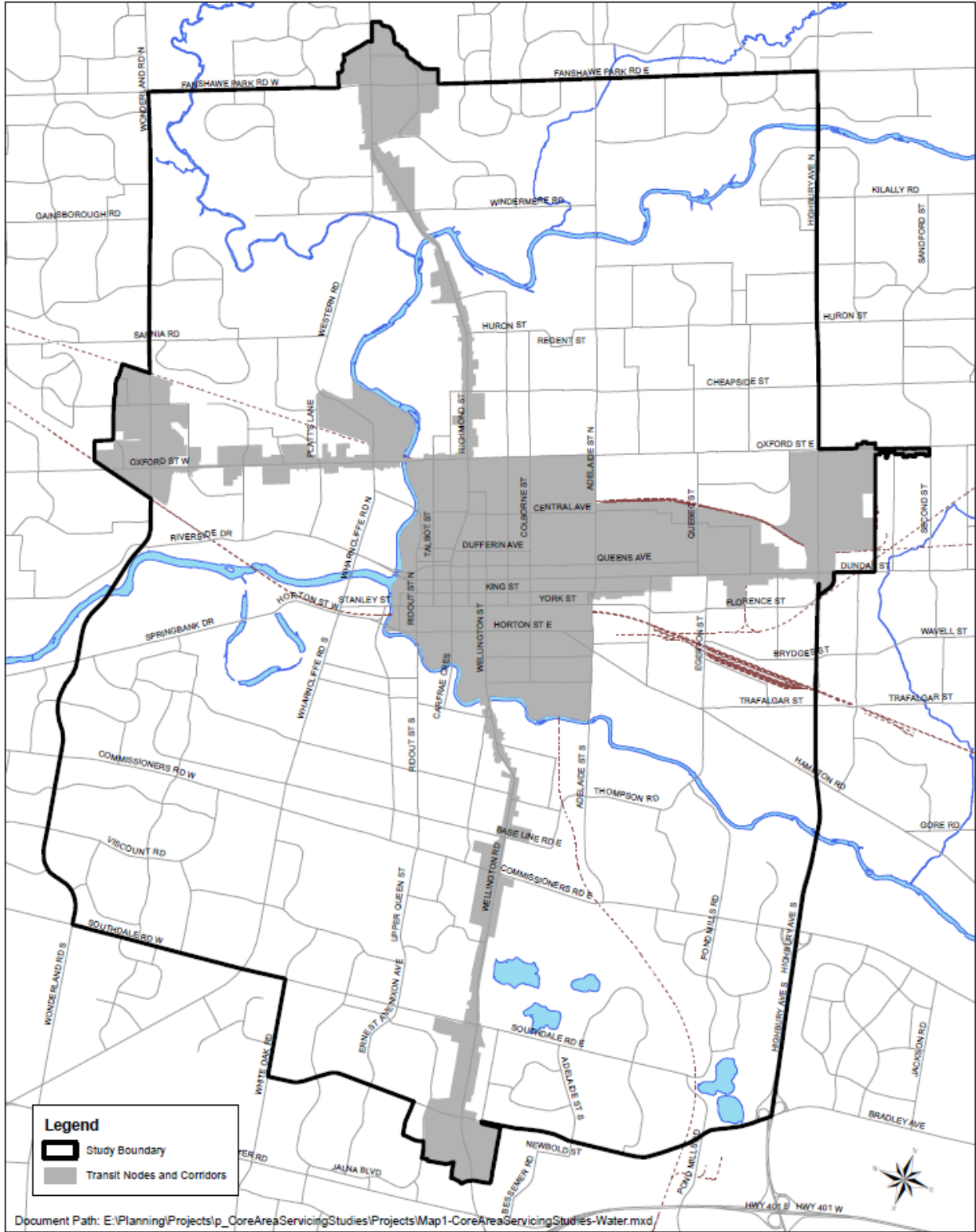
Appendix 'A' Sources of Financing

Appendix 'B' Map of Core Area Servicing Studies – Water Study Area

Appendix 'C' Map of Core Area Servicing Studies – Wastewater and Stormwater Study Area

**Appendix 'B'**

**Map of Core Area Servicing Studies – Water Study Area**



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### Appendix 'C'

## Map of Core Area Servicing Studies – Wastewater and Stormwater Study Area

