

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MARCH 27, 2017</b>
<b>FROM:</b>	<b>KELLY SCHERR, P. ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES &amp; CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>CONTRACT AWARD: TENDER NO. 17-15 2017 INFRASTRUCTURE RENEWAL PROGRAM BYRON BASELINE ROAD 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 2017 Infrastructure Renewal Program, Byron Baseline Road Reconstruction Project:

- (a) the bid submitted by Bre-Ex Construction Inc. (Bre-Ex) at its tendered price of \$5,849,025.30, excluding HST, for the 2017 Infrastructure Renewal Program Contract 6, Byron Baseline Road Reconstruction Project, **BE ACCEPTED**; it being noted that the bid submitted by Bre-Ex, was the lowest of five bids received and meets the City's specifications and requirements in all areas;
- (b) R.V. Anderson Associates Limited (RVA), **BE AUTHORIZED** to carry out the resident inspection and contract administration for the said project in accordance with the estimate, on file, for the amount of \$464,200.00 excluding HST, 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 17-15); and
- (g) 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 2017-2018, (Contract 6), Civic Works Committee, June 8, 2016

<b>2015-2019 STRATEGIC PLAN</b>
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The 2015 – 2019 Strategic Plan identifies the importance of the infrastructure renewal program under the Building a Sustainable City: 1B – Manage and improve our water, wastewater and stormwater infrastructure and services strategy.

## BACKGROUND

### **Purpose:**

This report recommends award of a tender to a contractor and continuation of consulting services for the reconstruction of Byron Baseline Road from Grand View Avenue to North Street / Colonel Talbot Road.

### **Context:**

Infrastructure replacement projects are co-ordinated with Wastewater & Drainage Engineering (WADE), Water Engineering, Transportation Planning & Design and Construction Administration for efficient use of funds during construction.

The project has been included in 2017 in the approved Wastewater & Treatment, Water, and Transportation Capital Works multi-year budgets.

## DISCUSSION

The Infrastructure Renewal Program (IRP) is an annual program intended to maintain the life of municipal infrastructure at an acceptable performance level. The Byron Baseline Road East project was identified as a high priority in the replacement programs due to the condition of the municipal infrastructure. The existing 150mm cast iron local watermain was constructed in 1961 and has been subject to a significant number of watermain breaks. The area also included a major 1960's era 600mm asbestos/steel trunk watermain. During the design work, an intensive inspection was undertaken to evaluate the condition of the 600mm watermain. This inspection determined that the main was in good condition and did not require replacement. As such the watermain will remain and corrosion protection will be installed to ensure its condition is maintained to extend its life to align with the life of the newly installed infrastructure. A map of the project location map has been included as Appendix B.

This Byron Baseline Road East Infrastructure Renewal project includes the following improvements:

- Replacement of the local watermain and individual water services to property line where required;
- Cathodic protection measures to be installed on the existing 600mm steel trunk watermain, it being noted that a recent condition assessment confirms it does not need replacement;
- Full road reconstruction, including new asphalt, curb and gutter and sidewalks as well as construction of new sidewalks in areas where they do not currently exist;
- Installation of new bike lanes and expansion of existing turning lanes;
- Replacement and upgrade of traffic signals at intersection of Boler Road and Byron Baseline Road as well as preparatory underground work at two other intersections that will allow for their future signalization; and
- Limited sanitary and storm sewer repairs including catch basin replacement and private drain connections as required, it being noted that recent sewer lining projects have eliminated the need for some sewers to be replaced and that video inspections have confirmed that remaining sewers are in adequate condition.

### **Public Engagement**

A public information session was held on December 1, 2016, specifically for all owners and residents within and immediately bordering the project area to address questions and concerns.

In response to the comments received, the project has been phased in an effort to reduce disruption over the duration of the project to better accommodate residents and those cycling and driving through the area.

## Tree Protection

This project involves the removal of 27 trees with the potential for up to 22 additional tree removals being determined during construction. 11 of the trees are being removed due to poor health and/or condition. The remainder of tree removals are necessary to accommodate turning lane improvements, new bike lanes and/or new sidewalks. Tree removals for this project were previously indicated in a report to CWC on March 7, 2017 titled 2017 ILRP – Trees.

## 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 own cost.

## Tender Summary

Tenders for the 2017 Infrastructure Renewal Program Contract 6, Byron Baseline Road Reconstruction Project were opened on February 16, 2017. Five (5) contractors submitted tender prices as listed below, excluding HST.

CONTRACTOR		TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	Bre-Ex Construction Ltd.	\$5,849,025.30	
2.	Omega Contractors Inc.	\$5,965,675.96	
3.	2376378 Ontario Corp. O/A CH Excavating	\$6,126,210.64	
4.	Blue-Con Construction	\$6,278,572.75	
5.	J-AAR Excavating Ltd	\$6,334,606.40	

All tenders have been checked by the Environmental and Engineering Services Department and the City's consultant, RVA. None of the submitted tenders were found to contain mathematical errors.

The tender estimate just prior to tender opening was \$5,649,254.00 excluding HST. The low tender is 3.5% above the consulting engineer's estimate. All tenders include a contingency allowance of \$500,000.00.

## Consulting Services:

RVA was awarded the detailed design of the project by Council June 14, 2016. Due to the consultant's knowledge and positive performance on the project, the consultant was invited to submit a proposal to carry out the contract administration and resident supervision. Staff have reviewed the fee submission in detail considering the hourly rates provided by each of the Consultant's staff members. City Staff have confirmed that the hourly rates are consistent with those submitted through competitive processes. City Staff also reviewed the time allocated to each project related task. The amount of time allocated to each project task is consistent with prior projects of a similar nature that have been awarded through a competitive process. The continued use of RVA on this project for construction administration is of financial advantage to the City due to the fact that the firm has specific knowledge of the project and has undertaken work for which duplication would be required if another firm were to be selected.

In addition to the financial advantage, there are also accountability and risk reduction benefits. The City requires a Professional Engineer to seal all construction drawings. These "record drawings" are created based on field verification and ongoing

involvement by the Professional Engineer. This requirement promotes consultant accountability for the design of these projects and correspondingly reduces the City's overall risk exposure. Consequently, the continued use of the consultant who created and sealed the design drawings is required in order maintain this accountability process and to manage risk.

In accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, this firm has satisfactorily completed a substantial part of the project and is recommended for award of the balance of the project. The Administration recommends that RVA be authorized to carry out the remainder of engineering services to complete this project for the provided fee estimate of \$464,200.00 excluding HST, noting the upset amount for total engineering services for the project is \$739,510.00 excluding HST.

<b>CONCLUSION</b>
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Replacing infrastructure at the end of its life is a prerequisite to building a sustainable city. The Byron Baseline Road Reconstruction Project is one-step forward in replacing London's aging infrastructure. The award of the contract to Bre-Ex Construction will allow the project objectives to be met within the available budget.

The use of RVA for the remainder of the engineering services will ensure that the completed design will be implemented in the best financial and technical interests of the City while ensuring accountability and reducing overall risk.

**Acknowledgements:**

This report was prepared within the Water Engineering Division by Jeff Conrad, Technologist, and reviewed by Pat Lupton, P. Eng., Environmental Services Engineer.

<b>SUBMITTED BY:</b>	<b>CONCURRED BY:</b>
<b>SCOTT MATHERS, MPA, P. ENG. DIVISION MANAGER WATER ENGINEERING</b>	<b>JOHN LUCAS, P. ENG. DIRECTOR, WATER AND WASTEWATER</b>
<b>RECOMMENDED BY:</b>	
<b>KELLY SCHERR, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING SERVICES &amp; CITY ENGINEER</b>	

March 20, 2017

JC/jc

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

c.c. Scott Mathers	John Freeman	Gary McDonald
Edward Soldo	Ugo DeCandido	Shane Maguire
Karl Grabowski	Bre-Ex Inc.	R.V. Anderson