

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 24, 2017</b>
<b>FROM:</b>	<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR ENVIRONMENTAL &amp; ENGINEERING SERVICES AND CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>CONTRACT AWARD: TENDER NO. 17-58 KIWANIS PARK PATHWAY CONNECTION</b>

<b>RECOMMENDATION</b>
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That on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer the following actions **BE TAKEN** with respect to the award of a contract for the Kiwanis Park Pathway Connection between Trafalgar Street and Tweedsmuir Ave:

- (a) the bid submitted by Dufferin Construction Company at its submitted tendered price of \$4,268,291.88 (excluding HST) **BE ACCEPTED**; it being noted that the bid submitted by Dufferin Construction Company was the lowest of five bids received and meets the City's specifications and requirements in all areas;
- (b) AECOM Canada Ltd., **BE AUTHORIZED** to carry out the resident inspection, contract administration and record of site condition services for the said project in the amount of \$614,652.50 (excluding HST), in accordance with Section 15.2 (g) of the Procurement of Goods and Services Policy;
- (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 for the material to be supplied and the work to be done relating to this project (Tender 17-58); 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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- Corporate Services Committee – April 11, 2017 – Canada 150 Community Infrastructure Program Intake Two Contribution Agreement
- Civic Works Committee – January 10, 2017 – Kiwanis Park Pathway Connection Ontario Municipal Cycling Infrastructure Program Transfer Payment Agreement and Consultant Service Extension
- Civic Works Committee – October 4, 2016 – Infrastructure Canada – Phase One Investments Public Transit Infrastructure Fund

- Civic Works Committee – September 7, 2016 – London ON Bikes Cycling Master Plan
- Corporate Services Committee – June 20, 2016 – Canada 150 Community Infrastructure Program Intake Two
- Civic Works Committee – February 2, 2016 – London ON Bikes Cycling Master Plan Status Report
- Civic Works Committee – June 8, 2016 - London ON Bikes Draft Cycling Master Plan
- Civic Works Committee – November 3, 2015 – Kiwanis Park Pathway Connection Across Canadian National Railway Detailed Design, Appointment of Consulting Engineer
- Community & Protective Services Committee – April 21, 2015 – Pedestrian Pathway Connection Across Canadian National Railway Lands in Kiwanis Park, Municipal Class Environmental Assessment
- Community & Protective Services Committee – June 17, 2013 – Appointment of consulting engineers to conduct an environmental study for the purpose of determining a viable pedestrian pathway connection across Canadian National Railway lands in Kiwanis Park, south of Trafalgar Road

## 2015-19 STRATEGIC PLAN

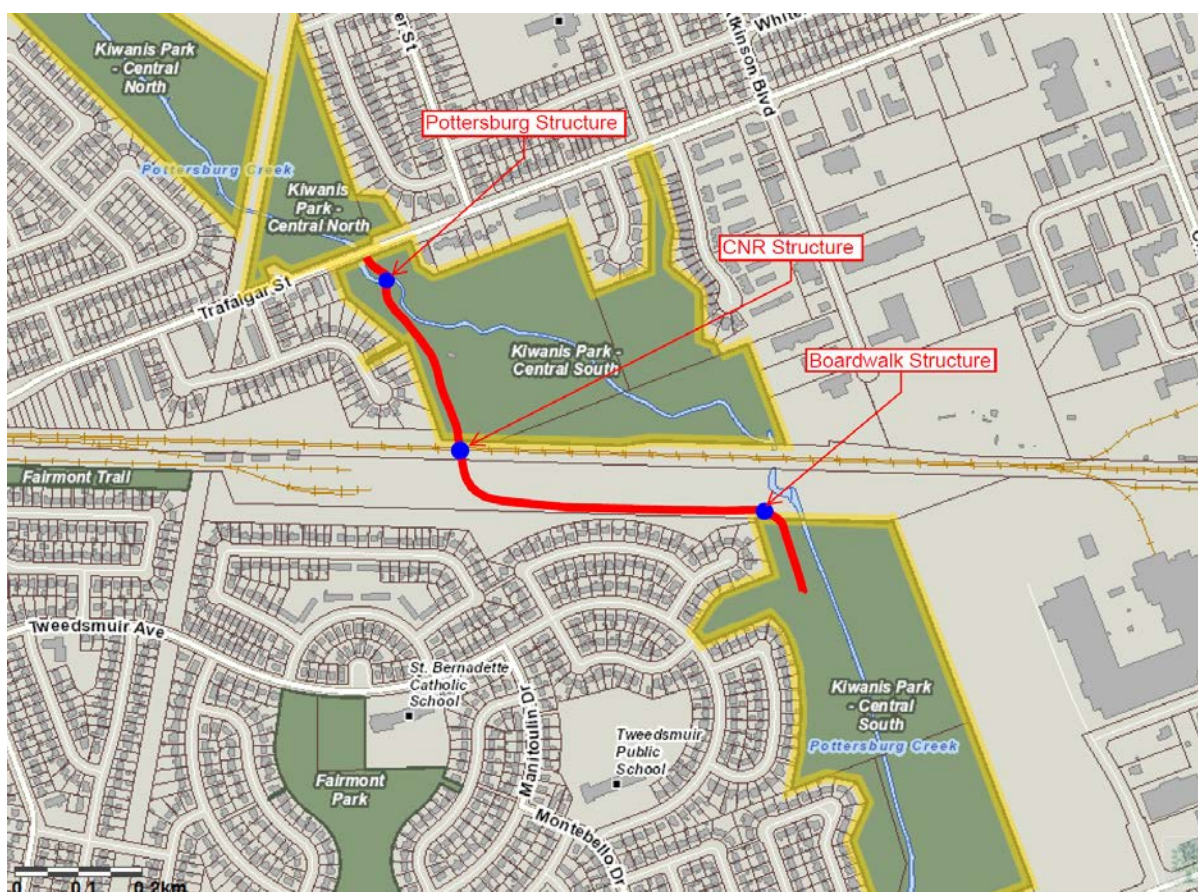
The following report supports the Strategic Plan through the strategic focus areas of *Strengthening Our Community* and *Building a Sustainable City* by improving mobility and safety for cyclists and pedestrians through the completion of an important link in the overall pathway system, while also encouraging a more active community.

## DISCUSSION

### **Purpose**

This report recommends the award of a construction tender to a contractor and the continuation of engineering consulting services for the Kiwanis Park Pathway Connection from Trafalgar Street to the existing pathway approximately at Tweedsmuir Avenue. Construction of this pathway will complete the Kiwanis Park pathway system and will continue to improve the network of active transportation infrastructure within the City of London. The limits of the project are shown in the below Figure 1.

**Figure 1: Kiwanis Park Pathway Connection Project Area**



## Context

Kiwanis Park is a long linear park in south-east London that extends south from Dundas Street to Hamilton Road and links the surrounding community to the Thames Valley Corridor.

In Kiwanis Park, the only remaining uncompleted gap is located between Trafalgar Street and Tweedsmuir Avenue, due to the presence of the CN railway that bisects the entire park. Addressing gaps in the City's recreational pathway system is a high priority for both Council and the general public. The priority has been confirmed in numerous studies. To address this gap, a Schedule "B" Municipal Class Environmental Assessment (EA) and Environmental Impact Study was completed in 2015. The EA confirmed the need for a direct multi-use pathway linkage across the CNR lands and recommended the following infrastructure improvements:

- A new pathway railway grade separation over CNR;
- A new bridge crossing over Pottersburg creek and reconfiguration of the existing parking lot;
- A new elevated boardwalk structure south of the CNR;
- Adjustments to the existing pathway underneath the Trafalgar Street structure; and,
- A new pathway design from south of Trafalgar Street to the existing pathway terminus.

The federal and provincial governments have both recognized the benefits of the Kiwanis Park Pathway Connection Project and as a result, the project has received three separate funding commitments. The project has commitments to receive funding through Ontario Municipal Cycling Infrastructure Program (OMCIP) (\$325,000), Canada 150 Fund (\$590,000), and the Public Transit Infrastructure Fund (PTIF) (\$1,050,000).

## Tender Summary

Tenders for the Kiwanis Park Pathway Project were opened on April 21, 2017. Five (5) contractors submitted tender prices as listed below (excluding HST).

	<b>CONTRACTOR</b>	<b>TENDER PRICE SUBMITTED (\$)</b>	<b>CORRECTED TENDER PRICE (\$)</b>
1.	Dufferin Construction Company	4,268,291.88	---
2.	Frank Van Bussel and Sons Ltd.	4,437,008.80	---
3.	McLean Taylor Construction Ltd.	4,726,455.76	---
4.	Birnam Excavating Ltd.	5,041,920.29	---
5.	J-Aar Excavating Ltd.	5,089,724.05	---

All tenders have been checked by the Environmental and Engineering Services Department and AECOM Canada Ltd. All tenders submitted were free from errors. The results of the tendering process and grouping of tender prices indicates a competitive process and value for money. The tender estimate prior to tender opening was approximately \$3,360,530 (excluding HST). One possible factor contributing to the tender values is the growing volume of structural work across the province in the current and future years.

## Construction Considerations

Construction is anticipated to begin in June 2017 and is expected to be substantially completed by end of 2017, with minor works being completed in spring of 2018.

Construction access will be off Hale Street via the existing CN corridor, as well as off the Trafalgar Road at the Pottersburg creek with limited access off Tweedsmuir Ave. While traffic impacts are expected to be limited, information regarding any traffic impacts during the course of construction will be provided through the City's website, [www.london.ca/construction](http://www.london.ca/construction) with specific information about the work.

Coordination with CN is an important aspect of this project. A purchase order for railway flagging services has been issued.

## Record of Site Condition (RSC) Filing

A portion of the project is being constructed on a former rail yard and the changing of the land use from less stringent to more stringent (future pathway) requires the undertaking of an RSC in accordance with Ontario Regulation 153/04. The work required for the RSC is being conducted at the same time as the construction. As part of the RSC process, it was initially anticipated that a Modified Generic Risk Assessment (MGRA) was to be required as part of the RSC. However, due to the investigations completed and the project schedules a more involved Tier III Risk Assessment (RA) approach has been recommended and is being undertaken where site-specific standards are/have been developed based on the unique site characteristics.

While the filing of the RSC is not expected to affect the construction of the pathway on this section of land, review and approval from the Ministry is required prior to opening the pathway to the public.

Due to legislated Ministry review frequencies and response times, the duration of the RSC process and public opening of the pathway is difficult to predict. The completion of the RSC process could occur as early as summer of 2018 and as late as the fall of 2019. The process will be pursued as aggressively as possible by the City and its consultant, however, Ministry review times for the RA and RSC submissions are regulated and will dictate much of the schedule.

### **Consulting Services**

AECOM Canada Ltd. was previously awarded the engineering assignment through a competitive process involving proposal submissions received from four consultants, in accordance with the City's Procurement of Good and Services Policy Section 15.2 (d). Follow up assignments with AECOM have been procured under the City's Procurement of Good and Services Policy Section 15.2 (g).

Due to the consultant's specific knowledge of the project, timeline constraints imposed by the funding contributions, and positive performance on the project, the consultant was invited to submit a proposal to carry out the contract administration, resident supervision and additional RSC services. 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 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 noting the unique complexities of this assignment in constructing three structures, coordination with the railways authority, and the RSC process.

The continued use of AECOM on this project for construction administration and continued RSC services is of financial advantage to the City due to the fact that the firm has specific knowledge of the project, the subjected site, and has undertaken work for which duplication would be required if another firm were to be selected.

The City's requirement for the creation of record drawings following construction necessitates the reviewing engineer seal them on the basis of field verification and ongoing involvement. This requirement promotes consultant accountability for the design. Consequently, the continued use of AECOM who created and sealed the design drawings is required in order maintain this accountability process.

In accordance with Section 15.2 (g) of the Procurement of Goods and Services Policy, Civic Administration is recommending that AECOM Canada Ltd. be authorized to carry out the remainder of engineering services as construction administrators to complete this project for a fee estimate of \$614,652.50 (excluding HST). These fees are associated with the inspection services necessary to ensure the City receives the construction product specified, value for the investment and legal compliance for the proposed change in land use and the Tier III Risk Assessment process. The award of this work will bring the value of the AECOM professional services on this project to \$1,272,048 (excluding HST). This value includes the cost of the RSC process to address the land use change.

## FINANCIAL CONSIDERATIONS

The components of the Kiwanis Park Pathway project are receiving contributions from the federal and provincial governments through the following programs:

Public Transit Infrastructure Fund (PTIF)	\$1,050,000
Canada 150 Community Infrastructure Program	\$590,000
Ontario Municipal Cycling Infrastructure Program (OMCIP)	\$325,000
Total:	<b>\$1,965,000</b>

The eligible cost deadline for these infrastructure funding programs is March 31, 2018. Therefore the award of this tender at this time provides an opportunity for the City to construct this priority infrastructure with reduced impact to City capital budgets.

The existing budget for the Kiwanis Park Pathway Connection is \$4.6 million. The total cost for this project with the current construction tender is \$5.5 million. The budget shortfall can be funded with a reallocation of \$856,210 of approved capital funding for the Thames Valley Parkway (TVP) North Branch (Richmond-Adelaide) project. This reallocation is necessary to complete the Kiwanis Park project on schedule and to maximize available federal infrastructure funding.

The TVP North Branch project is a Council strategic priority that was allocated funding through an additional investment business case (#4) in the 2016-2019 Multi-Year Budget. The environmental assessment was challenging, leading to additional conditions and regulatory requirements. The preliminary estimated total cost to include the resulting design changes is \$5.9 million. Funding currently allocated for the TVP North Branch project is \$2.3 million, including the current reallocation of \$856,210, leading to an estimated shortfall of \$3.6 million. The reallocation will not impact the detailed design schedule for the TVP North Branch project which is proceeding in 2017.

In order to fund the estimated \$3.6 million shortfall for the TVP North Branch project, staff will:

1. Review existing capital budgets to determine if other funding can be utilized;
2. Pursue additional federal/provincial infrastructure funding sources.

However, should these funding sources not materialize, staff will determine if costs can be reduced, via project scope alternatives, or by delaying all or part of the North Branch project. Construction was expected to start in the Fall of 2018.

Anticipated additional annual parks operating costs to budgets in 2018 and subsequent years associated with the additional park infrastructure is approximately \$2,500.

## CONCLUSION

The construction of this long-awaited infrastructure in 2017 provides a unique opportunity for the City of London to benefit from three infrastructure funding programs.

Civic Administration has reviewed the tender bids and recommends Dufferin Construction Company be awarded the contract for Kiwanis Park Pathway Connection Project.

AECOM Canada Ltd. has demonstrated an understanding of the City requirements for this project and it is recommended that this firm continue as the consulting engineer for the purpose of 2017 contract administration, inspection and RSC services as it is in the best financial and technical interests of the City.



## Acknowledgements

This report was prepared with assistance from Ardian Spahiu, P.Eng. and Michelle Morris, EIT, in the Transportation Planning & Design Division in consultation with Jeff Bruin, OALA, CSLA, and Andrew Macpherson, OALA, of Environmental and Parks Planning.

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Attach: Appendix A – Sources of Financing

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