

<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>2017 BYRON BASELINE INFRASTRUCTURE RENEWAL PROJECT UPDATE</b>

**RECOMMENDATION**

That, on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer, the following report regarding the Byron Baseline Infrastructure Renewal Project **BE RECEIVED** for information.

**2015-19 STRATEGIC PLAN**

The following report supports the Strategic Plan through the strategic focus areas of *Building a Sustainable City and Leading in Public Service directly and indirectly as follows*: Addressing the infrastructure gap, building robust infrastructure, enhancing safety for all road users in the city, and managing and improving our water, wastewater and stormwater infrastructure and services.

Renew London 2017 is committed to delivering excellent customer service and providing great customer experiences to residents, business and visitors by communicating projects in advance and coordinating all work to help build and deliver efficient infrastructure and minimize delays and inconveniences to the public during construction.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

CWC – March 27, 2017 – Contract Award: Tender No. 17-15 2017 Infrastructure Renewal Program Byron Baseline Road Reconstruction Project

**BACKGROUND**

**Purpose**

The purpose of this information report is to provide Committee and Council an update to an emerging issue related to the the reconstruction project on Byron Baseline Road, the steps being taken to address the issue and the potential implications including project scope, delivery timelines and contract costs. As per the Procurement of Goods and

Services Policy, Section 20.3 e (ii), Contract Amendments, 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 \$50,000 or 3% of contract value and there are funds available. At the present time, while the change in scope and its budget implications are under review, this report provides Council with notice and background information for a potential contract amendment as mitigation may need to proceed in an expediated manner due to the nature of the issue.

## **DISCUSSION**

The Byron Baseline Road Reconstruction project was identified as a high priority in the replacement programs due to the condition of the municipal infrastructure. The contract was awarded by Council April 4<sup>th</sup> 2017 to Bre-Ex Construction (contractor) for \$5,849,025.30 (excluding HST). R.V. Anderson Associates Limited (RVA) was approved to carry out resident inspection and contract administration for the project.

The main improvements of the project include replacement of 1700 m of local watermain and individual water services to property line where required; full road reconstruction, including new asphalt, curb and gutter, sidewalks, traffic signal upgrades and installation of new bike lanes. The project is split into three phases and the current phase one construction limits are from Grandview Avenue to Blake Street.

Early in phase one of the project, during the installation of the new watermain, the contractor encountered an abandoned Union Gas utility pipe on site that was found to be contaminated and may have impacted the surrounding soil.

The City has initiated a review of the situation with the contractor and utility company to investigate the matter and has taken immediate corrective actions. This includes testing the soil and pipe to determine the extent of the issue.

The abandoned utility pipe lies within the City's right of way and appears to span the entire limits of the project on Byron Baseline from Grandview Avenue to Colonel Talbot Road directly over the proposed new watermain alignment. As such, the City has a duty to remove all pipe and exposed soil and to ensure our contractor does it in a safe and effective manner. The City has consulted with the Ministry of Environment and Climate Change, and have been advised that they are in agreement with this approach.

The mitigation strategy will ensure appropriate remediation and corrective actions are undertaken in a cost effective manner. The remedial action plan will address health and safety requirements as part of the undertaking. Union Gas has acknowledged the need for remedial action and have an understanding that the City intends to quantify and document the details of the additional work with a plan to recover the costs from the utility. Additional investigation is required to determine the extent of the mitigation required for the other two phases of the construction project.

The City's consultant remains on site full time to verify all labour hours and equipment usage to validate future claims submitted by the contractor if required and potential additional costs. The contingency for this project is \$400,000.00. The adequacy of which will be determined and reported to Council if a contract price amendment is required.

<b>CONCLUSION</b>
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The City has encountered an emerging unforeseen environmental condition related to an abandoned utility pipe on the Byron Baseline Road Reconstruction project and has taken immediate steps to address the matter in a safe, diligent and cost effective manner.

The City has reached an understanding with the Union Gas and has a plan that involves the continued use of our contractor to remove and dispose of the contaminated material in accordance with appropriate waste regulations. Additional costs and delays associated with uncovering this unforeseen condition will be worked out in detail as the project proceeds and appropriate cost coverage will be borne by the utility.

In order to complete the remaining contract work and meet project goals there is a potential for a future amendment to the existing contract. Administration will report to Committee and Council at a later date if required to address the contract costs and approved funding.

**ACKNOWLEDGEMENTS:**

This report was prepared with assistance from Paul Choma, P.Eng., Construction Administration Division.

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