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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 14, 2012
FROM:	JOHN BRAAM, P. Eng. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER NO. 12-17 2012 INFRASTRUCTURE LIFECYCLE RENEWAL PROGRAM CONTRACT #2B: STANLEY STREET RECONSTRUCTION

RECOMMENDATION

That, on the recommendation of the Acting Executive Director, Planning, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contracts for the 2012 Lifecycle Renewal Program, Contract #2B: Stanley Street Reconstruction Project (ES2414, ES2414-11, EW3787-11, EW3787-12, TS1446-11, TS4067-12, TS5123-12).

- (a) the bid submitted by AAR CON Excavating (AAR CON), 10998 Longwoods Road, Delaware ON, N0L 1E0, at its tendered price of \$2,627,876.11 (excluding H.S.T.), for the 2012 Infrastructure Lifecycle Renewal Program, Contract #2B project, **BE ACCEPTED**; it being pointed out that the bid submitted by AAR CON was the lowest of six bids received and meets the City's specifications and requirements in all areas;
- (b) Dillon Consulting Ltd. (DILLON), 1400 – 130 Dufferin Ave, London, Ontario, N6A 5R2, **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 \$345,598.00 (excluding H.S.T.), noting that this firm completed the engineering design, 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;
- (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 12-17); and
- (f) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

PREVIOUS REPORTS PERTINENT TO THIS MATTER
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- [Appointment of Consulting Engineers Infrastructure Lifecycle Renewal Programs 2011 \(Contract #2\), Environment and Transportation Committee, May 10, 2010, Agenda #3](#)
- [2011 Infrastructure Lifecycle Renewal Program; Contract #2, Stanley Street - Extension Of Consulting Services, Built and Natural Environment Committee, April 20, 2011, Agenda #5](#)
- [Stanley Street Sanitary Sewage Pumping Station Environmental Assessment and Screening Report Executive Summary, Built and Natural Environment Committee, November 28, 2011, Agenda #3](#)

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- [Contract Award: Tender 12-16; Contract 2A: Stanley Street Pumping Station Construction, Civic Works Committee, April 2, 2012, Agenda #14](#)

BACKGROUND

Purpose:

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

Stanley Street from the Thames River to Wharncliffe Road

This work includes installation of new storm sewers, replacement of existing sanitary sewers, watermain and lead water service replacement, construction of new sidewalks, curb and gutter, and asphalt road.

Infrastructure replacement needs have been coordinated with Wastewater and Drainage Engineering (WADE), Water Engineering, Transportation Planning and Design, Parking and Traffic Signals and Construction Administration for efficient use of funds during construction. Additionally, replacement needs have been coordinated with external utilities and as a result work required by Bell Canada has been incorporated into the project. Incorporation of this work results in cost savings being recognised by both parties due to increased efficiencies and the limiting of potential future work.

Discussion:

The reconstruction of Stanley Street was included in the approved 2011 Wastewater & Treatment and Water Capital Works Budgets and was originally intended to be constructed in the 2011 construction season. Investigation into the sanitary siphon outlet during the pre design stage proved to show the siphon is an environmental and maintenance liability to the City and should be replaced. As a result, a new sanitary pumping station was determined to be the only reasonable alternative to the siphon. Therefore, the Stanley Street reconstruction project was delayed for one year in order for Dillon to perform an Environmental Assessment, design and tender the construction of a pumping station. The pumping station was tendered on February 18, 2012 and will be constructed in 2012. Once complete and operational it will become the new outlet for the Stanley Street and north Wortley Village area and the existing siphon will be decommissioned.

Stanley Street has been identified as a high priority in the replacement programs due to the poor condition of the municipal infrastructure. The sanitary sewer, private drain connections and cast iron watermain on these streets were originally installed between 1892 and 1895. The sewers and watermain in this location has reached the end of their life expectancy. In addition, there are currently no storm sewers within the project limits. Introducing 460 meters of new storm sewers will provide increased surface flooding protection to the neighborhood, noting surface flooding can be a contributing factor to basement flooding.

The construction program also includes replacement of lead water services, replacement of private drain connections, replacement of curb and gutter, new sidewalks and full asphalt road replacement for the full limits of construction.

This project also effectively removes existing combined sewers in the general area. Removing storm water from the sanitary sewer reduces costs to the City to treat storm water at the Pollution Control Plants. Removing these extraneous flows also will result in fewer combined sewer overflows at the plants providing direct environmental benefits.

The Stanley Street reconstruction project has been coordinated with the City's Dundas Street reconstruction project to mitigate traffic congestion from the west end. As such, Stanley Street reconstruction cannot begin until Dundas Street reconstruction is complete, in early June 2012. As a result of this later start, construction is expected to carry over and be completed in the spring of 2013.

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Road configuration improvements will be made to the Stanley/Wortley intersection. In addition, a large retaining wall on City property will be replaced as it has deteriorated to the point where it has reached the end of its service life. The owner of the property abutting the retaining wall is working with the City to ensure the final solution complements the character of the property.

A public information session was held in February 1, 2012 specifically for all owners and residents within and immediately bordering the project area to address questions and concerns.

A Project Location map is included below for reference.



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. Similarly the Lead Replacement Program is also covered by City By-laws. As part of this project, the water service connection will be replaced to 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 2012 Infrastructure Lifecycle Renewal Program, Contract #2B Project were opened on April 5, 2012. Six (6) contractors submitted tender prices as listed below (exclusive of H.S.T.).

	CONTRACTOR	TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	AAR CON Excavating	\$2,627,876.11	
2.	Omega Contractors	\$2,737,156.85	
3.	J-AAR Excavating Limited	\$2,845,438.00	
4.	Bre-Ex Limited	\$2,969,947.97	
5.	Blue-Con Construction	\$3,302,806.83	
6.	Tri-Con Excavating	\$3,482,575.35	

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All tenders have been checked by the Planning, Environmental and Engineering Services Department and the City’s consultant, Dillon. There were no mathematical errors.

The tender estimate just prior to tender opening was \$3,497,000.00 (excluding H.S.T.). The low tender is about 25% below the estimate indicating a continuing competitive environment and illustrates the benefit of tendering projects early in the construction season. All tenders include a contingency allowance of \$300,000.00 (excluding H.S.T.).

There are no future additional annual operating costs as a result of this project as the maintenance costs incurred due to installation of new storm sewer is offset by the elimination of the existing sanitary siphon.

Consulting Services:

Dillon was awarded the detailed design by Council on May 17, 2010 and their assignment was extended to include pumping station design by Council on May 9, 2011. 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 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 \$345,598.00 (excluding H.S.T.), noting the upset amount for total engineering services for the project is \$869,037.40 (excluding H.S.T.) spread over 2010 to 2012 for both road work and pumping station design and construction administration services. It should be noted that pumping station construction costs are \$962,700.00 for a total construction cost of \$3,590,576.11 for both the Stanley Street pumping station and road work.

Conclusions:

Award of the construction contract to AAR CON 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 Ugo DeCandido, Environmental Services Engineer, and Doug Harron, Technologist.

SUBMITTED BY:	RECOMMENDED BY:
<p>TOM COPELAND, P. ENG. DIVISION MANAGER WASTEWATER AND DRAINAGE ENGINEERING</p>	<p>JOHN BRAAM, P.ENG. ACTING EXECUTIVE DIRECTOR, PLANNING, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER</p>

May 9, 2012
UD/dh
Attach: Appendix “A” – Sources of Financing

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c.c. AAR CON Excavating Dillon Consulting Ltd. Roland Welker Rick Pedlow
 Justin Lawrence John Lucas