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| <b>TO:</b>      | <b>CHAIR AND MEMBERS<br/>CIVIC WORKS COMMITTEE<br/>MEETING ON JANUARY 9, 2018</b>   |
| <b>FROM:</b>    | <b>KELLY SCHERR, P.ENG., MBA, FEC<br/>MANAGING DIRECTOR, ENVIRONMENTAL &amp; ENGINEERING<br/>SERVICES AND CITY ENGINEER</b> |
| <b>SUBJECT:</b> | <b>DUNDAS PLACE<br/>UTILITY CONSTRUCTION COORDINATION</b>   |

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| <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 Dundas Place Project:

- a) the attached proposed by-law (Appendix A) **BE INTRODUCED** at the Municipal Council meeting to be held January 16, 2018 to:
  - i) approve the Memorandum of Understanding, attached as Schedule 1 of Appendix A to be entered into between The Corporation of the City of London and London Hydro Inc., for utility coordination within the Dundas Place project;
  - ii) approve the Memorandum of Understanding, attached as Schedule 2 of Appendix A to be entered into between The Corporation of the City of London and Bell Canada, for utility coordination within the Dundas Place project;
  - iii) authorize the Mayor and the City Clerk to execute the Memoranda of Understanding approved in a)i) and a)ii), above;
- b) the authority to execute any reports required to administer the Memoranda of Understanding authorized and approved in a) above **BE DELEGATED** to the Managing Director, Environmental & Engineering Services and City Engineer, or their written designate.

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| <b>PREVIOUS REPORTS PERTINENT TO THIS MATTER</b> |
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- Civic Works Committee – May 14, 2012 – Dundas Street Improvements, Formulating an Implementation Plan
- Civic Works Committee – August 25, 2014 – Dundas Flexible Street Scoping Study, Consulting Engineer Assignment Increase
- Planning and Environment Committee – February 2, 2015 - Our Move Forward: London's Downtown Plan
- Civic Works Committee – February 3, 2015 – Dundas Flexible Street Scoping Study Approval
- Planning and Environment Committee – April 7, 2015 – Our Move Forward: London's Downtown Plan
- Civic Works Committee – June 2, 2015 – Appointment of Consulting Engineer Dundas Place Environmental Assessment
- Strategic Priorities and Policy Committee – January 28, 2016 – Downtown Infrastructure Planning and Coordination

- Civic Works Committee – October 4, 2016 – Infrastructure Canada Phase One Investments Public Transit Infrastructure Fund
- Civic Works Committee – December 12, 2016 – Dundas Place Environmental Study Report
- Civic Works Committee – January 7, 2017 – Dundas Place Detailed Design and Tendering Appointment of Consulting Engineer
- Planning & Environment Committee – November 20, 2017 – Dundas Place Management Field House and Management

## COUNCIL'S 2015-19 STRATEGIC PLAN

Dundas Place is identified in the 2015-19 Strategic Plan for the City of London under the “Growing Our Economy” Strategic Area of Focus. Municipal Council has recognized the importance of urban regeneration. Dundas Place will invest in London’s downtown as the heart of our city by creating a flexible street for shopping, leisure, civic activities and celebrations. The subject of this report also responds to Council’s Strategic Plan Building a Sustainable City Area of Focus by coordinating needed lifecycle renewal of public and private assets.

## BACKGROUND

### **Purpose**

This report recommends the execution of Memoranda of Understanding (MOUs) with two utility companies partnering with the City within the Dundas Place project. The work components for London Hydro Inc. and Bell Canada are large and represent significant investment. The project provides an opportunity for cost-effective coordination of infrastructure upgrades.

## DISCUSSION

### **Dundas Place Utility Coordination**

Dundas Place is the first Transformational Project in Our Move Forward, The Downtown Plan. It aims to transform Dundas Street into the most exciting street in London. The project also implements needed renewal to aging infrastructure in the downtown. In addition to the City infrastructure needs, private utility companies also have needs to provide downtown property owners, businesses and residents the utility services they desire. Partnership coordination of utility upgrades in a consolidated capital contract led by the City provides an opportunity for cost-savings and reduction of social costs related to construction disturbance. Furthermore, this approach minimizes the risk of future excavations into the premium Dundas Place streetscape.

The design of the Dundas Place capital project is complete and the tender process is underway. Seven utility companies have partnered with the City to execute work under the consolidated capital contract led by the City. The value of work components for London Hydro and Bell Canada represent the largest investments. The magnitude of the work with these two utility companies necessitates the execution of MOUs to provide clarity of partner obligations and certainty throughout the tender, award and construction processes. The utility capital works being coordinated with Rogers Communications, Telus, Start Communications, LARGNet and Union Gas represent

lower cost values and are being managed via previously established administrative arrangements.

The attached MOUs have been agreed upon by both partners and have been reviewed by the City Solicitor's Office. Approval and execution of the MOUs prior to tender close will provide the City certainty to progress to tender close and contract award processes.

#### Next Steps for the Project

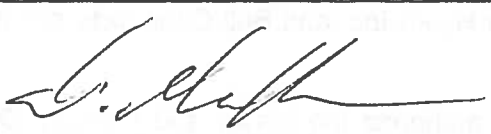
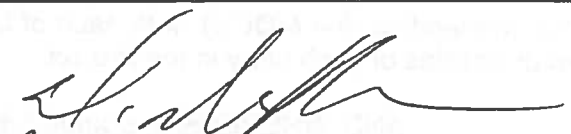
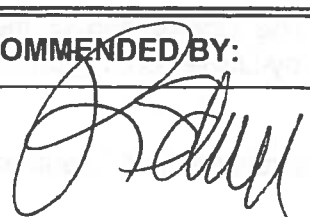
A report related to the award of the Dundas Place capital contract and contract administration assignment will be presented to Civic Works Committee in early 2018.

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| <b>CONCLUSION</b> |
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Dundas Place is progressing. The project addresses much-needed renewal of City infrastructure. Integrating the private utility upgrades needed to better service properties can save costs and reduce construction disruption for Londoners. Execution of the recommended MOUs will provide the City with required certainty through the upcoming tendering, contract award and construction phases.

#### Acknowledgements

The subject of this report was prepared with assistance of Dave Munteer, Karl Grabowski and Ugo Decandido. The cooperation of London Hydro Inc. and Bell Canada is also acknowledged.

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| <b>PREPARED BY:</b>  | <b>REVIEWED AND CONCURRED BY:</b>  |
|   |  |
| <b>DOUG MACRAE, P. ENG.<br/>DIVISION MANAGER<br/>TRANSPORTATION PLANNING &amp;<br/>DESIGN</b>                                  | <b>EDWARD SOLDO, P. ENG.<br/>DIRECTOR, ROADS AND<br/>TRANSPORTATION</b>              |
| <b>RECOMMENDED BY:</b>   |  |
|   |  |
| <b>KELLY SCHERR, P.ENG., MBA, FEC<br/>MANAGING DIRECTOR<br/>ENVIRONMENTAL &amp; ENGINEERING<br/>SERVICES AND CITY ENGINEER</b> |  |

Attach: Appendix A: - Proposed By-law  
Schedule 1 – London Hydro Inc. Memorandum of Understanding  
Schedule 2 – Bell Canada Memorandum of Understanding

cc: Capital Assets;  
Dave Munteer, City Solicitors Office  
Brian Huston, P.Eng., Dillon Consulting

Bill No.  
2018

By-law No. A.-\_\_\_\_\_

A by-law to authorize and approve a Memorandum of Understanding between The Corporation of the City of London and each of London Hydro Inc. and Bell Canada; and to authorize the Mayor and the City Clerk to execute the Memoranda of Understanding.

WHEREAS section 5(3) of the *Municipal Act, 2001* S.O. 2001, c.25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act, 2001* provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS The Corporation of the City of London (the "City") plans to reconstruct Dundas Street between Ridout Street and Wellington Street beginning in 2018 to a flexible street to be known as Dundas Place (the "Project");

AND WHEREAS the Project will provide utility companies, including London Hydro Inc. and Bell Canada, with a cost-effective opportunity for infrastructure renewal and upgrades;

AND WHEREAS London Hydro Inc. and Bell Canada have expressed a desire to undertake the replacement of their existing infrastructure;

AND WHEREAS it is deemed expedient for the City to enter into a Memorandum of Understanding (the MOU's) with each of London Hydro Inc. and Bell Canada to confirm the responsibilities of each party in the Project;

AND WHEREAS it is appropriate to authorize the Mayor and the City Clerk to execute the MOU's on behalf of the City;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Memorandum of Understanding between The Corporation of the City of London and London Hydro Inc. attached as Schedule "1" to this by-law is hereby authorized and approved.
2. The Mayor and the City Clerk are authorized to execute the MOU's authorized and approved under section 1 of this by-law.
3. The Memorandum of Understanding between The Corporation of the City of London and Bell Canada attached as Schedule "2" to this by-law is hereby authorized and approved.
4. The Mayor and the City Clerk are authorized to execute the MOU's authorized and approved under section 2 of this by-law

6. This by-law shall come into force and effect on the day it is passed.

PASSED in Open Council on \_\_\_\_\_, 2018

**Matt Brown**  
Mayor

**Catharine Saunders**  
City Clerk

First Reading –  
Second Reading –  
Third Reading –

## **Schedule 1**

### **Memorandum of Understanding**

made this      day of      , 2017 between

**London Hydro Inc. ("Hydro")**

and

**The Corporation of the City of London (the "City")**

#### **BACKGROUND:**

1. The City plans to reconstruct Dundas Street between Ridout Street and Wellington Street beginning in 2018 to a flexible street to be known as Dundas Place including the installation of premium surface treatments and street furniture (the "Project");
2. The City completed an environmental assessment for the project in 2017;
3. The project will include the replacement of water mains, pavements, sidewalks and other structures and features ("City Work");
4. The Project will provide utility companies including Hydro with a cost-effective opportunity for infrastructure renewal and upgrades;
5. London Hydro has expressed a desire to undertake the replacement of existing electrical infrastructure including electrical distribution duct banks, manholes, vaults and wiring as part of the Project ("Hydro Work");
6. The Project will create a premium surface and future excavations after completion of the project will be strongly discouraged;
7. The parties wish to establish the terms under which they have agreed to proceed with the Project.

#### **UNDERSTANDING AND AGREEMENT OF THE PARTIES:**

1. The City will issue a single consolidated tender for the Project which will include the City Work, the Hydro Work and work by other utility companies.
2. The tender will be awarded to the contractor with the lowest compliant bid regardless of individual cost apportionment between the parties and other utility companies in accordance with the City of London Procurement of Goods and Services Policy.
3. The City and its consultant contract administrator will be the sole administrator of the construction contract. The City will manage the contract with input from Hydro and other utility companies.
4. Hydro agrees to pay for the actual cost of the Hydro Work and its share of other actual Project costs in accordance with the cost-sharing in the attached schedule. The attached schedule provides pre-tender estimated costs and these will be updated with tender costs following tender close. The City will act as the administrator for London Hydro with respect to applicable taxes related to London Hydro's share of the work.
5. Expenditure of the contract contingency funds will be assessed according to the type of work (City Work, Hydro Work and work by other utility companies)

triggering the expenditure and invoiced to Hydro only as expended. The expenditure of contingency funds must be approved prior to work being completed in accordance with an approved change order process.

6. London Hydro will make monthly progress payments to the City during the duration of the contract based on the costs incurred based on the cost sharing described in paragraph 4 above.
7. The parties agree to indemnify and hold each other and their respective employees, officers, directors, agents and representatives harmless from and against all liability for all damages of any nature whatsoever, including any bodily injury or personal damage claim and any damage to or loss of use or loss of any personal or real property, which is caused by or directly attributable to the negligent or wrongful act of indemnifying party, its employees, officers, directors, agents and representatives for which it may be responsible in the performance of its obligations hereunder, but only to the extent and in proportion to the negligence or fault of indemnifying party.

This MOU sets out the terms under which Hydro and the City have agreed to proceed with the Project. The parties agree to negotiate in good faith and to use their respective best efforts to conclude the necessary agreements to give effect to the terms of this MOU.

**IN WITNESS WHEREOF** the parties hereto have executed this MOU.

**THE CORPORATION OF THE CITY OF LONDON**

Per: \_\_\_\_\_  
Mayor Matt Brown

Per: \_\_\_\_\_  
Catharine Saunders, City Clerk

**LONDON HYDRO INC.**

Per: \_\_\_\_\_

Per: \_\_\_\_\_  
we have authority to bind the Corporation

Schedule showing estimated Hydro costs for Project

|    | Work Component   | Total Cost Estimate (1) | London Hydro Share   | Hydro Portion Cost Estimate |
|----|--|-------------------------|--|-----------------------------|
| 1. | London Hydro Infrastructure (Currently Part G of Form of Tender)   | \$3,756,000             | 100%   | \$3,756,000                 |
| 2. | Restoration Work Exclusive to London Hydro Work identified in the Roadworks Part of Tender (predominantly on Richmond Street and lesser extent on Clarence Street)   | \$25,000                | 100%   | \$25,000                    |
| 3. | Investigation for / relocation of other utilities to accommodate infrastructure specific to London Hydro   | \$215,000 (2)           | 100%   | \$215,000                   |
| 4. | Traffic Control, Temporary Traffic Signals, Temporary Concrete Barrier, Construction Fencing, Temporary Sidewalks, Provision for Temporary Pedestrian Access, Project Communications and Stakeholder Liaison (Section N and O of the Form of Tender) | \$713,000               | Prorated Based on London Hydro's Share of Overall Contract (3) | \$171,000                   |
| 5. | Miscellaneous Items including Performance and Material Bonds, Project Insurance and Foundation Wall Condition Assessments (Section P of the Form of Tender)  | \$729,000               | Prorated Based on London Hydro's Share of Overall Contract (3) | \$175,000                   |
| 6. | Consultant Contract Administration Services  | \$2,500,000             | Prorated Based on London Hydro's Share of Overall Contract (3) | \$600,000                   |
|    | Subtotal   |                         |  | \$4,942,000                 |
|    | Contingency (to be used as necessary)  |                         | 15%  | \$741,300                   |
|    | Total  |                         |  | \$5,683,300                 |

Note 1 – Estimate at 90% Design

Note 2 – Allowance Only

Note 3 – Based on estimated London Hydro Share at 24% (to be finalized based on tender actuals)



## **Schedule 2**

### **Memorandum of Understanding**

made this        day of        , 2017 between

**Bell Canada ("Bell")**

and

**The Corporation of the City of London (the "City")**

#### **BACKGROUND:**

1. The City plans to reconstruct Dundas Street between Ridout Street and Wellington Street beginning in 2018 to a flexible street to be known as Dundas Place including the installation of premium surface treatments and street furniture (the "Project");
2. The City completed an environmental assessment for the project in 2017;
3. The project will include the replacement of water mains, pavements, sidewalks and other structures and features ("City Work");
4. The Project will provide utility companies including Bell with a cost-effective opportunity for infrastructure renewal and upgrades;
5. Bell has expressed a desire to undertake the replacement of existing communications infrastructure including manholes and duct banks as part of the Project ("Bell Work");
6. The Project will create a premium surface and future excavations after completion of the project will be strongly discouraged;
7. The parties wish to establish the terms under which they have agreed to proceed with the Project.

#### **UNDERSTANDING AND AGREEMENT OF THE PARTIES:**

1. The City will issue a single consolidated tender for the Project which will include the City Work, the Bell Work and work by other utility companies.
2. The tender will be awarded to the contractor with the lowest compliant bid regardless of individual cost apportionment between the parties and other utility companies in accordance with the City of London Procurement of Goods and Services Policy.
3. The City and its consultant contract administrator will be the sole administrator of the construction contract. The City will manage the contract with input from Bell and other utility companies.
4. Bell agrees to pay for the actual cost of the Bell Work and its share of other actual Project costs in accordance with the cost-sharing in the attached schedule. The attached schedule provides pre-tender estimated costs and these will be updated with tender costs following tender close. The City will act as the administrator for Bell Canada with respect to applicable taxes related to Bell Canada's share of the work.
5. Expenditure of the contract contingency funds will be assessed according to the type of work (City Work, Bell Work and work by other utility companies)

5. Expenditure of the contract contingency funds will be assessed according to the type of work (City Work, Bell Work and work by other utility companies) triggering the expenditure and invoiced to Bell only as expended. The expenditure of contingency funds must be approved prior to work being completed in accordance with an approved change order process.
6. Bell will make monthly progress payments to the City during the duration of the contract based on the costs incurred based on the cost sharing described in paragraph 4 above.
7. The parties agree to indemnify and hold each other and their respective employees, officers, directors, agents and representatives harmless from and against all liability for all damages of any nature whatsoever, including any bodily injury or personal damage claim and any damage to or loss of use or loss of any personal or real property, which is caused by or directly attributable to the negligent or wrongful act of indemnifying party, its employees, officers, directors, agents and representatives for which it may be responsible in the performance of its obligations hereunder, but only to the extent and in proportion to the negligence or fault of indemnifying party.

This MOU sets out the terms under which Bell and the City have agreed to proceed with the Project. The parties agree to negotiate in good faith and to use their respective best efforts to conclude the necessary agreements to give effect to the terms of this MOU.

**IN WITNESS WHEREOF** the parties hereto have executed this MOU.

**THE CORPORATION OF THE CITY OF LONDON**

Per: \_\_\_\_\_ Mayor Matt Brown

Per: \_\_\_\_\_  
Catharine Saunders, City Clerk

**BELL CANADA**

Per: \_\_\_\_\_

Per: \_\_\_\_\_  
we have authority to bind the Corporation

Schedule showing estimated Bell costs for Project

|    | <b>Work Component</b>  | <b>Total Estimate(1)</b> | <b>Bell Canada Share</b>   | <b>Bell Portion Cost Estimate</b> |
|----|--|--------------------------|--|-----------------------------------|
| 1. | Bell Canada Infrastructure<br>(Currently Part H of Form of Tender)   | \$1,379,000              | 100%   | \$1,379,000                       |
| 2. | Investigation for / relocation of other utilities to accommodate Bell infrastructure   | \$50,000 (2)             | 100%   | \$50,000                          |
| 3. | Traffic Control, Temporary Traffic Signals, Temporary Concrete Barrier, Construction Fencing, Temporary Sidewalks, Provision for Temporary Pedestrian Access, Project Communications and Stakeholder Liaison (Section N and O of the Form of Tender) | \$713,120                | Prorated Based on Bell's Share of Overall Contract (3)   | \$57,000                          |
| 4. | Miscellaneous Items including Performance and Material Bonds, Project Insurance and Foundation Wall Condition Assessments (Section P of Form of Tender)  | \$729,000                | Prorated Based on Bell's Share of Overall Contract (3)   | \$58,000                          |
| 5. | Consultant Contract Administration Services  | \$2,500,000              | Prorated Based on half of Bell's Share of Overall Contract in recognition of site inspection services provided by Bell (3) | \$100,000                         |
|    | Subtotal   |                          |  | \$1,644,000                       |
|    | Contingency (to be used as necessary)  |                          | 15%  | \$247,000                         |
|    | Total  |                          |  | \$1,891,000                       |

Note 1 – Estimate at 90% Design

Note 2 – Allowance Only

Note 3 – Based on Bell Share at 8% (to be finalized at Tender Close)

