

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 15, 2018
FROM:	KELLY SCHERR, P. ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER T18-38 VAUXHALL-POTTERSBERG INTERCONNECTION PROJECT

RECOMMENDATION

That on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, and subject to receipt of requisite regulatory approvals, the following actions **BE TAKEN** with respect to the award of contracts for the Vauxhall-Pottersburg interconnection construction project:

- (a) the bid submitted by Bre-Ex Construction Incorporated at its tendered price of \$6,462,841.34, excluding HST, **BE ACCEPTED**; it being noted that the bid submitted by Bre-Ex Construction Incorporated was the lowest of three bids received and meets the City's specifications and requirements in all areas;
- (b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached, hereto, as Appendix 'A';
- (c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (d) the approval, given herein, **BE CONDITIONAL** upon the Corporation entering into a formal contract relating to this project (Tender 18-38); and
- (e) 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
--

Civic Works Committee, May 15, 2018 – East London Sanitary Servicing Study Municipal Class Environmental Assessment: Notice of Completion.

Civic Works Committee, July 17, 2017 - Appointment of Consulting Engineer, Design and Construction Administration Services, Pottersburg-Vauxhall Wastewater Treatment Plants Interconnection Project.

Civic Works Committee, November 3, 2015 - Appointment of Consultant, Master Plan/Municipal Class EA for the Pottersburg-Vauxhall Interconnect.

2015-2019 STRATEGIC PLAN

The 2015-2019 Strategic Plan identifies this objective under: Building a Sustainable City: 1B – Manage and improve our wastewater infrastructure and services; and 5B – Build new wastewater infrastructure as London grows.

BACKGROUND

Purpose

The purpose of this report is to seek Council approval for the award of a tender to Bre-Ex Construction Incorporated (Bre-Ex) for the construction of the planned interconnection between Pottersburg Wastewater Treatment Plant (WWTP) and Vauxhall WWTP. A project location map is included for reference in Appendix 'B'.

Context

The Pottersburg and Vauxhall WWTPs are located in east London. Previous studies have identified capacity limitations at Pottersburg WWTP and the potential for additional capacity at the Vauxhall WWTP. Interconnecting the two plants will optimize the use of existing plant capacity at the Vauxhall WWTP, providing wastewater treatment servicing for new growth and reducing the volume of sanitary sewage bypassed during extreme rainfall events at the Pottersburg WWTP.

DISCUSSION

The Pottersburg and Vauxhall Wastewater Treatment Plants are located in east London. They service adjacent sanitary service areas and have a total rated treatment capacity of 60 megalitres per day. The Pottersburg sewershed area contains key industrial development areas around the airport and the area of Veterans Memorial Parkway and Highway 401. In contrast, the Vauxhall sewershed is largely built-out with limited growth anticipated in the future.

A Master Plan/Class EA Study (Master Plan EA) was completed in June 2017 to evaluate various servicing strategies that would allow for the transfer of flows between the two WWTP's. The Master Plan EA identified capacity limitations at the Pottersburg plant and the potential for additional capacity at the Vauxhall plant. Consolidating the flow from the two plants through an interconnection will allow for future development servicing without the need to construct new and costly treatment capacity. This interconnection also provides "swing capacity" between the two plants to facilitate future refurbishment and upgrade projects. This Master Plan EA identified the construction of a permanent forcemain connecting the two WWTP's as the preferred alternative. The ultimate servicing strategy for this area will be formalized through the ongoing East London Sanitary Servicing Study.

The interconnection project will be completed in two phases. Phase 1, which will be completed through this construction project, includes the installation of two 600 mm diameter pipes for transferring raw sewage flow, and one 150 mm diameter pipe for transferring biosolids. The forcemains will be approximately 2.3 km long. Since the forcemain and pumping station construction would have been undertaken by different contractors, it was decided to construct the forcemains in advance of completing the pumping stations. This will allow the pumping station design to consider the final constructed pipe characteristics and coordinate elements of the forcemain installation with other undertakings at the Pottersburg WWTP.

Phase 2, to be completed at a later date, will include construction of pump stations and equalization tanks at each facility. Phase 2 will enable the transfer of flows from Pottersburg WWTP to Vauxhall WWTP through the pipes installed in Phase 1, which will improve operations at the Pottersburg WWTP and enable growth in the sewershed. The future flow equalization tanks will also further reduce the volume of flows bypassed during extreme rainfall events. A Request for Proposals for the detailed design of flow

transfer facilities at Pottersburg WWTP and Vauxhall WWTP is planned for the Q4-2018. The design and construction of Phase 2 is not currently included in existing capital budgets and will be included for consideration in the next multi-year budget and as part of future federal/provincial funding applications.

Tender Summary

Responses to Request for Tender T18-38 were opened on March 29, 2018. Three contractors submitted tender prices as listed below:

CONTRACTOR		TENDER PRICE SUBMITTED (excluding HST)
1.	Bre-Ex Construction Inc.	\$6,462,841.34
2.	Blue-Con Construction	\$7,111,415.69
3.	Elgin Construction	\$7,271,887.49

All tenders have been checked by Environmental and Engineering Services and the City's consultant, AECOM. Two arithmetic errors were found in the tender by Bre-Ex, but they did not affect the overall tendered price.

The tender estimate just prior to tender opening was \$6,990,650.00, excluding HST. All tenders include a contingency allowance of \$650,000.00.

Project Funding

The Environmental Assessment (EA) for this project is complete and recommends a preferred alternative with a post tender cost of \$7,100,000, excluding HST. This represents a \$1,100,000 increase over the original budget amount of \$6,000,000. These additional costs are related to crossing a closed landfill area and undertaking a trenchless crossing of Highbury Avenue to eliminate the social impact of closing this major roadway. As this project also supports the objectives of another Pottersburg Pollution Control Plant project, funds from that project will be used to make up the budgetary shortfall.

CONCLUSIONS

Bre-Ex submitted the lowest tender price in response to Tender T18-38 and has demonstrated their ability to complete the required construction works through previously completed projects for the City of London. Tender T18-38 for the construction of the Pottersburg-Vauxhall interconnection is recommended to be awarded to Bre-Ex Construction Incorporated.

Acknowledgements

This report was prepared with the assistance of Kirby Oudekerk, P.Eng., of the Wastewater Treatment Operations Division.

SUBMITTED BY:	CONCURRED BY:
GEORDIE GAULD DIVISION MANAGER WASTEWATER TREATMENT OPERATIONS	SCOTT MATHERS, P. ENG., MPA DIRECTOR, WATER AND WASTEWATER
RECOMMENDED BY:	
KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER	

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

c.c. John Freeman
Chris Ginty
Kirby Oudekerk
Alan Dunbar
Bre-Ex Construction Inc.