

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON AUGUST 13, 2018</b>
<b>FROM:</b>	<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES &amp; CITY ENGINEER</b>
<b>SUBJECT:</b>	<b>CONTRACT AWARD: TENDER RFT 18-73 WILTON GROVE ROAD SANITARY SEWER REPLACEMENT</b>

<b>RECOMMENDATION</b>
-----------------------

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contracts for the replacement of the Wilton Grove Road Sanitary Sewer:

- (a) the bid submitted by Bre-Ex Construction Inc., 247 Exeter Road, London, ON, N6L 1A5, at its tendered price of \$4,597,122.40 excluding H.S.T., for the replacement of the Wilton Grove Road Sanitary Sewer, **BE ACCEPTED**; it being noted that the bid submitted by Bre-Ex Construction Inc., was the lowest of seven bids received and meets the City’s specifications and requirements in all areas;
- (b) Parsons Corporation **BE APPOINTED** Consulting Engineers to complete the construction administration and supervision for the Wilton Grove Road Sanitary Sewer Replacement in accordance with the estimate, on file, at an upset amount of \$408,095.60 including 10% contingency, excluding H.S.T., and in accordance with Section 15.2 (g) of the City of London’s Procurement of Goods and Services Policy;
- (c) the financing for the project **BE APPROVED** in accordance with 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 approvals given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract; 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>
--

2017-10-24 [Wilton Grove Road Improvements – Detailed Design and Tendering Appointment of Consulting Engineer](#)

<b>2015-19 STRATEGIC PLAN</b>
-------------------------------

The 2015 – 2019 Strategic Plan under Building a Sustainable City identifies Robust Infrastructure, more specifically to this report; 1B – Manage and improve our water, wastewater and stormwater infrastructure and services.

## BACKGROUND

### Purpose

This report recommends the award of tender RFT 18-73 for the reconstruction of the Wilton Grove Road Sanitary Sewer from Hubrey Road to Commerce Road (Appendix 'B' Location Map) to Bre-Ex Construction Inc. It also recommends that the existing contract with Parsons for engineering consulting services be extended to include contract administration and supervision.

### Context

The sanitary sewer on Wilton Grove Road from Hubrey Road to Commerce Road is the outlet for approximately 260 hectares of industrial land, much of which is currently undeveloped. The existing sewer does not have the required capacity to service these undeveloped industrial lands. In order to service industrial growth in this south-east portion of the City, sanitary sewers upgrades are required.

## DISCUSSION

### Tender Summary

Five (5) contractors submitted tenders on the project with the tender prices listed below (excluding H.S.T.). Tenders for this project were opened on Monday July 16, 2018.

	<b>CONTRACTOR</b>	<b>TENDER PRICE SUBMITTED</b>	<b>CORRECTED TENDER PRICE</b>
1.	Bre-Ex Construction Inc	\$4,597,122.40	
2.	CH Excavating	\$5,633,705.33	
3.	Blue-Con Construction	\$5,676,182.05	
4.	Sierra Infrastructure Inc	\$6,473,421.00	
5.	J-AAR Excavating Limited	\$6,887,452.10	

All tenders have been checked and clerical errors have been corrected. Each contractor's qualifications have been reviewed by the Environmental and Engineering Services Area and the City's Consultant, Parsons.

The tender estimate prior to tender opening was \$4,997,850.00 excluding H.S.T. Bre-Ex's low bid submission is competitive and is approximately \$400,000 below the pre-tender estimate. All tenders and estimates shown above include a contingency allowance of \$450,000.00, excluding H.S.T.

### Project Schedule

Construction is scheduled to begin September 2018, take place during the winter months, and be completed by the end of Q2-2019. Construction activities will progress from the intersection of Hubrey Road and Wilton Grove Road and proceed approximately 1.3 kilometers east on Wilton Grove Road and terminate at Commerce Road. This project precedes a future road upgrade project on Wilton Grove Road that will be undertaken in 2019 east of Commerce Road to the City Limits.

## Traffic Control

During construction, Wilton Grove Road will be open to local traffic only. Detours and a traffic management plan utilizing Green Valley Road to the south will be in place during this project. Businesses in the area will be kept apprised of activities that will have impact on property access. The contractor and the City's contract administration consultant will strive to maintain access to local businesses.

## Servicing Opportunities

The project, once complete, will also provide the opportunity for properties on private systems to connect to the municipal sanitary system. Property owners within the project limits also have an opportunity to take advantage of the City's Private Drain Connection (PDC) program which allows existing privately serviced properties with septic systems to obtain a PDC at a subsidized cost. Sanitary Frontage Charges and PDC charges consistent with City By-Laws will apply if a property owner chooses to connect to the municipal sanitary sewer system.

## Consulting Fees

In accordance with Section 15.2(g) of the Procurement of Goods and Services Policy, Civic Administration is recommending that Parsons be authorized to carry out the construction administration for the Wilton Grove Sanitary Sewer Replacement. Parsons has satisfactorily completed the detailed design for this project and is recommended for award of the balance of the work having satisfied all financial, reporting and other conditions required of the Policy. It is to the financial advantage of the City due to the fact that this consultant has specific knowledge of the project and have undertaken work for which duplication would be required if another firm were to be selected. City staff continue to foster a collaborative working relationship that focuses on achieving the lowest lifecycle cost and highest service performance for municipal infrastructure.

In addition, staff have reviewed the fee submissions in detail considering the hourly rates provided by each staff member. Staff have confirmed that hourly rates are consistent with those submitted through competitive processes. Staff also reviewed the time allocated to each project related task. Staff can confirm that the amount of time allocated to each project task is consistent with prior projects of a similar nature that have been awarded through a competitive process. In general, the assignment is found to be reasonable and in-line with those that would be expected through a competitive process.

A breakdown of Parsons consulting fees for the Wilton Grove Road Sanitary Sewer Replacement Project are given below:

<b>Design Fee</b>	<b>Construction Administration Fee</b>	<b>Total Consulting Fees</b>
\$95,450.00	\$408,095.60	\$503,545.60

## Financial Impact

Contract costs for the project are under budget and less than the cost estimate provided by the consultant prior to tendering.

No additional annual operating costs are anticipated as a result of this project.

<b>CONCLUSIONS</b>
--------------------

Staff recommend that the construction contract for the Wilton Grove Road Sanitary Sewer from Hubrey Road to Commerce Road be awarded to Bre-Ex Construction Inc. It is further recommended that Parsons undertake the contract administration and inspection services during construction as it is in the best technical and financial interest of the City.

**Acknowledgements**

This report was prepared by Kevin Graham, P.Eng of the Wastewater and Drainage Engineering Division.

<b>SUBMITTED BY:</b>	<b>REVIEWED &amp; CONCURRED BY:</b>
<b>TOM COPELAND, P. ENG. DIVISION MANAGER WASTEWATER AND DRAINAGE ENGINEERING</b>	<b>SCOTT MATHERS, MPA, P. ENG. DIRECTOR WATER &amp; WASTEWATER</b>
<b>RECOMMENDED BY:</b>	
<b>KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR ENVIRONMENTAL &amp; ENGINEERING SERVICES AND CITY ENGINEER</b>	

August 1, 2018

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

c.c. John Freeman, Manager, Purchasing and Supply  
Mark Henderson, Director, Business Liaison  
Gary McDonald, Budget Analyst  
Alan Dunbar, Manager, Financial Planning and Policy  
Jason Davies, Manager, Financial Planning and Policy  
Parsons Corporation