

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JANUARY 8, 2019
FROM:	KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONSULTANT APPOINTMENT: REPLACEMENT/RELOCATION OF WATERMAIN ON POND MILLS ROAD TO FACILITATE FUTURE HIGHWAY 401 OVERPASS AT POND MILLS ROAD STRUCTURE EXPANSION

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the appointment of an engineering consultant for design and construction administration for the replacement/relocation of a watermain on Pond Mills Road:

- (a) Dillon Consulting Limited **BE APPOINTED** consulting engineers to complete the design and construction administration for the Pond Mills Road Watermain replacement/relocation in accordance with the estimate, on file, at an upset amount of \$108,432.50, 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;
- (b) the financing for the project **BE APPROVED** in accordance with 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 approvals given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract; 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
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October 24, 2017 Civic Works Committee Report - Highway 401 Overpass at Pond Mills Road Structure Expansion Agreement

February 21, 2017 – Civic Works Committee Report and MTO Delegation – MTO Highway 401 Improvements at Pond Mills Road and Veterans Memorial Parkway

February 4, 2013 - Civic Works Committee – Highway 401 Interchange Projects Agreements with the Ministry of Transportation.

2015-19 STRATEGIC PLAN

This report and its recommendations support the Strategic Plan under “Building a Sustainable City”:

- Responsible Growth, by planning, designing and constructing new infrastructure consistent with the Growth Management Implementation Strategy (GMIS).
- Robust Infrastructure, by managing and improving water infrastructure.

BACKGROUND

Purpose

This report recommends the appointment of a consulting engineer to carry out design and construction administration of watermain replacement/relocation to facilitate the construction of the proposed structure. This is continuation of consulting services for the consultant who is carrying out the design of the Pond Mills Highway 401 overpass and Highway 401 widening.

Context

As part of the improvements along Highway 401, the Ontario Ministry of Transportation (MTO) will reconstruct the Highbury Avenue overpass and provide three lanes of traffic in each direction of the 401 near Highbury. The additional lanes creates the need to replace the existing underpass structure on Pond Mills Road with a longer structure. The existing watermain is in conflict with the widened structure and needs to be replaced in 2019 to facilitate the future MTO work. Construction by MTO will be staged to occur over a 3-4 year duration.

This report recommends the appointment of a consulting engineer to carry out design and construction administration of watermain replacement/relocation to facilitate the construction of the proposed structure. This is continuation of consulting services for the consultant who is carrying out the design of the Pond Mills Highway 401 overpass and Highway 401 widening. It is in the best interest of the City to engage the same consultant for this work.

DISCUSSION

MTO and Dillon Staff contacted the City of London in the fall of 2017 to begin to discuss options for the City to abandon, protect, or relocate the Pond Mills watermain. The 2014 DC Background Study for water identified that this watermain should be increased to a 400mm diameter watermain in the year 2029. Based on review of the conflicts with the existing and future structures and other utilities, and future needs, it is felt that the watermain should be reconstructed in a new location on Pond Mills Road.

The extent of the work to be carried out at this time will be limited to what is necessary to allow the Pond Mills Road Highway 401 overpass structure to be lengthened and widened. The total estimated cost for this project is approximately \$585,000, not including cost sharing with the MTO. An agreement between the City of London and the MTO will be necessary for the cost sharing of the costs of watermain reconstruction/relocation. This agreement will be based on the (*Public Service Works on Highways Act*) which applies 50/50 cost sharing to labour and labour saving devices, with the full cost of materials and engineering costs being allocated to the City.

The engineering design would begin immediately, in order that construction work related to the replacement/relocation of the watermain on Pond Mills Road would take place in 2019.

Consulting Fees

Dillon, MTO's engineering consultant, has shown their competency and expertise with infrastructure projects of this type and have provided good performance in the past on City projects. 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 accordance with Section 15.2(g) of the Procurement of Goods and Services Policy, it is recommended that Dillon be authorized to carry out the design and construction administration for this project. Dillon has been retained by the Ministry of Transportation to complete the detailed design and construction administration the Pond Mills Road Highway 401 Overpass and Highway 401 Widening. 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.

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 have 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.

Financial Impact

Engineering and design costs have been identified for this work in the 2014 Development Charges Water Background Study, which identified this work to be undertaken in 2029 as part of a larger project. A budget amendment is included as part of the 2019 Water Capital Budget update to move this portion of the total work forward to 2019.

No additional annual operating costs are anticipated with respect to the design.

CONCLUSIONS

Advancing the planned watermain work to align with the MTO project is necessary for the successful completion of the MTO project and is in the financial best interests of the City. Completing the work now will reduce the City's ultimate restoration costs and will allow the City to be eligible for cost sharing with the MTO. Since Dillon is undertaking the detailed design and construction administration for the MTO work, awarding this assignment to Dillon is to the financial and technical advantage of the City. This is because Dillon has specific knowledge of the project and have undertaken work for which duplication would be required if another firm were to be selected. Staff recommend that Dillon Consulting Limited undertake the engineering design and construction administration and inspection services during construction.

Acknowledgements

This report was prepared by Patricia Lupton, P.Eng of the Water Engineering Division.

SUBMITTED BY:	REVIEWED & CONCURRED BY:
AARON ROZENTALS, P. ENG. DIVISION MANAGER WATER ENGINEERING DIVISION	SCOTT MATHERS, MPA, P. ENG. DIRECTOR WATER & WASTEWATER
RECOMMENDED BY:	
KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER	

Attach: Appendix A – Sources of Financing
Appendix B – Pond Mills Road Watermain Replacement Location

c.c. John Freeman, Manager, Purchasing and Supply
Dillon Consulting Limited
Gary McDonald, Budget Analyst
Alan Dunbar, Manager, Financial Planning and Policy
Jason Davies, Manager, Financial Planning and Policy
Karl Grabowski, Transportation Division