TO: CHAIR AND MEMBERS  
CIVIC WORKS COMMITTEE  
MEETING ON FEBRUARY 20, 2019

FROM: KELLY SCHERR, P. ENG., MBA, FEC  
MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER

SUBJECT: CONTRACT AWARD: TENDER NO. RFT 19-02  
2019 INFRASTRUCTURE RENEWAL PROGRAM  
EGERTON STREET, BRYDGES STREET AND PINE STREET  
PHASE 2 RECONSTRUCTION PROJECT

RECOMMENDATION

That on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the following actions **BE TAKEN** with respect to the award of contract for the 2019 Infrastructure Renewal Program Egerton Street Phase 2 reconstruction project:

(a) the bid submitted by Bre-Ex Construction Inc at its tendered price of $5,723,375.76, excluding HST, **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) Archibald, Gray and McKay Engineering Ltd. (AGM) **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 $429,880.00, excluding HST, in accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, noting that this firm completed the engineering design for this project;

(c) That on the recommendation of the Managing Director, Environmental and Engineering Services and City Engineer, the attached proposed by-law (Appendix A) **BE INTRODUCED** at the Municipal Council meeting to be held on March 5, 2019, for the purpose of amending the Traffic and Parking By-law (PS-113);

(d) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached, hereto, as Appendix ‘A’;

(e) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;

(f) 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 RFT19-02); and

(g) 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


2015-2019 STRATEGIC PLAN

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, in addition to improving safety, traffic operations and residential needs in London’s neighbourhoods.

BACKGROUND

Purpose

This report recommends award of a tender to a Bre-Ex Construction Inc, and continuation of consulting services to AGM for the reconstruction of:

- Egerton Street from 80m north of Brydges Street (CN tracks) to 20m south of Ormsby Street;
- Brydges Street from Egerton Street to Douglas Court; and
- Pine Street from Egerton Street to Oak Street.

A project location map is included for reference in Appendix ‘B’.

The Traffic and Parking By-law (PS-113) (Appendix ‘D’) requires amendments including the elimination of on-street parking on the east side of Egerton Street to accommodate the construction of bicycle lanes as part of the 2019 construction project.

Context

Egerton Street, Brydges Street and Pine Street have each been identified as a high priority in the infrastructure renewal program due to the poor condition of the municipal infrastructure. Most of this infrastructure including the historical Egerton double trunk sewer dates from the 1900s to the 1920s and has reached the end of its life expectancy. This project is the second phase of three overall phases of infrastructure renewal along Egerton Street.

DISCUSSION

The Egerton Street, Brydges Street, and Pine Street infrastructure renewal project includes the following improvements:

- installation of sanitary sewers and Private Drain Connections (PDCs) where requested;
- installation of storm sewers and PDCs where requested;
- installation of watermain and individual water services to property line where applicable;
- full road reconstruction including new asphalt, curb and gutter, and sidewalk; and
- inclusion of underground works by Bell Canada who has infrastructure needs.
In addition, the following new features will be incorporated into this project:

- removal of on-street parking on the east side of Egerton Street; and
- new on-road bicycle lanes on both sides of Egerton Street.

The combined sewer on Brydges Street will be removed and replaced with separate sanitary and storm sewers as part of this project. In addition, five sanitary sewer overflows on Egerton Street will be removed. There are two watermains on this project, one of which is 1900s cast iron with potential lead services, and the other which is 1967 concrete pressure pipe. These two watermains will be consolidated into a single watermain.

The Traffic and Parking Bylaw (PS-113) have the following proposed amendments to accommodate bicycle lanes on Egerton Street:

- Designate bicycle lanes on the east and west sides of Egerton Street from Dundas Street to Brydges Street.
- Designate bicycle lanes as per the Cycling Master Plan on both sides of Egerton Street from Brydges Street to Ormsby Street.
- The current on-street parking on the east side of Egerton Street from 61 m south of Pine Street to Ormsby Street should be replaced with "No Parking Anytime" to provide parking restrictions within the proposed bicycle lane.

The Egerton Street bicycle lane maps with proposed changes are included in Appendix ‘C’.

Infrastructure replacement needs have been coordinated within the Environmental and Engineering Services Department. The funding for this project comes from the approved 2019 Wastewater and Treatment, Water, and Transportation Capital Works Budgets.

**Domestic Action Plan**

One of the municipal actions identified in the City of London’s Domestic Action Plan for Phosphorus Reduction is combined sewer replacement. The plan states,

> “The City of London will accelerate plans to separate combined sewers, including the design and construction of necessary stormwater outlets, with the target of separating 80 per cent (17 kilometres) of its combined sewer system by 2025.”

This target for combined sewer replacement is contingent on federal and provincial funding. The reconstruction of Brydges Street removes 50 meters of combined sewer. The following table summarizes the length of combined sewer replacement achieved for this project in relation to the Lake Erie Acton Plan targets.

<table>
<thead>
<tr>
<th>2016 – 2025 Combined Sewer DAP Target (km)</th>
<th>Prior DAP Combined Sewer Removed/Separated (km)</th>
<th>This Project – Combined Sewer Removed/Separated (km)</th>
<th>Remaining Combined Sewer (km) to achieve target</th>
</tr>
</thead>
<tbody>
<tr>
<td>17 km</td>
<td>5.4 km</td>
<td>0.05 km</td>
<td>11 km</td>
</tr>
</tbody>
</table>

The length of combined sewer remaining, indicated in the above table, accounts for the 500 metres of combined sewer to be replaced as part of the Downtown Sewer Separation Phase 2 project, which is also on the current Civic Works Committee agenda.
Public Consultation

A project update meeting was held on November 26, 2018, for all owners and residents within and immediately bordering the project area to address questions and concerns. This meeting was attended by a few property and business owners with no significant concerns noted. Staff have been informed of a number of residents with special needs that will be accommodated throughout this construction contract. Communication has been taking place with all the business owners and contact information has been collected to ensure that communication can continue throughout the project.

Service Replacement

In conjunction with the construction of this project, the City is administering the PDC subsidy program, which allows property owners within the project’s limits an opportunity to voluntarily replace their PDC at a reduced cost. As part of this project, the water service connections will be replaced to the property line at the City’s cost and the property owner may elect to replace their private side connection at their own cost. Homeowners may also be eligible to participate in the Lead Service Extension Replacement Loan Program.

Tender Summary

Tenders for the 2019 Infrastructure Renewal Program Egerton Street, Brydges Street and Pine Street Phase 2 reconstruction project were opened on January 23, 2019. Seven (7) contractors submitted tender prices as listed below, excluding HST.

<table>
<thead>
<tr>
<th>CONTRACTOR</th>
<th>TENDER PRICE SUBMITTED</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Bre-Ex Construction Incorporated</td>
<td>$5,723,375.76</td>
</tr>
<tr>
<td>2. Blue Con Construction</td>
<td>$6,197,978.70</td>
</tr>
<tr>
<td>3. Sierra Infrastructure Inc</td>
<td>$6,250,350.30</td>
</tr>
<tr>
<td>4. J-AAR Excavating Limited</td>
<td>$6,277,019.24</td>
</tr>
<tr>
<td>5. CH Excavating (2013)</td>
<td>$6,396,279.96</td>
</tr>
<tr>
<td>6. Omega Contractors Inc.</td>
<td>$6,496,218.96</td>
</tr>
<tr>
<td>7. Amico Infrastructure (Oxford) Inc.</td>
<td>$6,728,580.96</td>
</tr>
</tbody>
</table>

All tenders have been checked by the Environmental and Engineering Services Department and the City’s consultant, AGM. No mathematical errors were found.

The tender estimate just prior to tender opening was $6,188,000.00, excluding HST. All tenders include a contingency allowance of $400,000.00.
Operating Budget Impacts

Additional annual sewer, water, and transportation operating costs attributed to new infrastructure installation are summarized in the following table.

<table>
<thead>
<tr>
<th>Division</th>
<th>Rationale</th>
<th>Operational Cost Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sewer Operations</td>
<td>Additional 100 metres of storm sewer</td>
<td>$200</td>
</tr>
<tr>
<td>Water Operations</td>
<td>No additional increase in water services or total length of watermain</td>
<td>$0</td>
</tr>
<tr>
<td>Transportation Operations</td>
<td>Road maintenance cost (As per Table 8 and 10 of the London ON Bikes report.)</td>
<td>$9,180 – $10,860</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>$9,380 - $11,060</strong></td>
</tr>
</tbody>
</table>

Consulting Services

AGM was awarded the detailed design for phase 2 by Council on July 25, 2017. Due to the consultant’s knowledge and positive performance on the project, the consultant was invited to submit a proposal to carry out the contract administration and resident supervision. AGM submitted a proposal which included an upset limit of $429,880.00. This proposal contains a 10% contingency. Staff have reviewed the fee submission in detail considering the time allocated to each project task, along with hourly rates provided by each of the consultant’s staff members. That review of assigned personnel, time per project task, and hourly rates is consistent with other infrastructure renewal program assignments of this scope and nature. The continued use of AGM on this project for construction administration is of financial advantage to the City because AGM has specific knowledge of the project and has undertaken work for which duplication would be required if another firm were to be selected.

In addition to the financial advantage, there are also accountability and risk reduction benefits. The City requires a professional engineer to seal all construction drawings. These “record drawings” are created based on field verification and ongoing involvement by the professional engineer. This requirement promotes consultant accountability for the design of these projects, and correspondingly, reduces the City’s overall risk exposure. Consequently, the continued use of the consultant who created and sealed the design drawings is required in order to maintain this accountability process and to manage risk.

In accordance with Section 15.2 (g) of the City of London’s Procurement of Goods and Services Policy, AGM has satisfactorily completed a substantial part of the project and is recommended for award of the balance of the project. The administration recommends that AGM be authorized to carry out the remainder of engineering services to complete this Egerton Phase 2 project for the provided fee estimate of $429,880.00 excluding HST, noting the upset amount for total engineering services for both Egerton Phase 1 and 2 Engineering Design and Supervision fees is $1,716,617.00, excluding HST, spread over 2014-2019. It is noted that a third phase on Egerton is planned for 2020 construction which is anticipated to be awarded to AGM.
CONCLUSIONS

Award of the 2019 Infrastructure Renewal Program, Egerton Street, Brydges Street, Pine Street Phase 2 reconstruction project to Bre-Ex Construction Inc. will allow the project objectives to be met within the available budget and schedule.

The use of AGM for the remainder of engineering services for this project is in the best financial and technical interests of the City.

Amendments are required to Schedule 2 (No Parking) and to Schedule 9.1 (Reserved Lanes) to address the on street parking removal and bicycle lane additions.

Acknowledgements

This report was prepared within the Wastewater and Drainage Engineering Division by Doug Law, C.E.T., Senior Technologist and Doug Bolton C.E.T., Senior Technologist and Shane Maguire P. Eng Division Manager of the Roadway Lighting and Traffic Control Division and reviewed by Kyle Chambers, P. Eng., Environmental Services Engineer.

SUBMITTED BY:  
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WATER ENGINEERING DIVISION

REVIEWED & CONCURRED BY:  
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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’ – Project Location Map  
Appendix ‘C’ – Parking/Bike Lane Maps  
Appendix ‘D’ – Parking By-law Amendments

c.c. Aaron Rozentals  
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