

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MARCH 10, 2020
FROM:	KELLY SCHERR, P. ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONTRACT AWARD: RFT 20-21 2020 INFRASTRUCTURE RENEWAL PROGRAM CHURCHILL AVENUE, WINNIPEG BOULEVARD, WAVELL STREET 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 contracts for the 2020 Infrastructure Renewal Program Churchill Avenue, Winnipeg Boulevard, Wavell Street Project:

- (a) the bid submitted by Elgin Construction Company Limited at its tendered price of \$3,771,467.32, excluding HST, for the 2020 Infrastructure Renewal Program, Churchill Avenue, Winnipeg Boulevard, Wavell Street Project, **BE ACCEPTED**; it being noted that the bid submitted by Elgin Construction Company Limited was the lowest of eight bids received and meets the City's specifications and requirements in all areas;
- (b) Dillon Consulting Limited, **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 \$383,190.50, excluding HST, in accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy;
- (c) the financing for this project **BE APPROVED** as set out in 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 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 (RFT20-21); and
- (f) 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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- Civic Works Committee - March 18, 2019 - Agenda Item # 2.14 - Appointment of Consulting Engineer for the Detailed Design & Tendering of the Churchill Avenue Infrastructure Renewal Project
- Civic Works Committee – July 17, 2017 - Agenda Item # II. 5. - Appointment of Consulting Engineers Infrastructure Renewal Program 2017-2019; Recommendation b) (ix).

2019-2023 STRATEGIC PLAN

This report supports the Strategic Plan in the following areas:

- Building a Sustainable City:
 - Build infrastructure to support future development and protect the environment.
 - Manage the infrastructure gap for all assets.
 - Protect and enhance waterways, wetlands, and natural areas.

BACKGROUND

Purpose

This report recommends award of a tender to Elgin Construction Company Limited, and continuation of consulting services to Dillon Consulting Limited for the reconstruction of:

- Churchill Avenue from Vancouver Street to Edmonton Street;
- Winnipeg Boulevard from Churchill Avenue to Wavell Street; and
- Wavell Street from Vancouver Street to Winnipeg Boulevard.

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

Context

Churchill Avenue, Winnipeg Boulevard and Wavell Street have each been identified as a high priority in the Infrastructure Renewal Program. This project is the first of many projects in this area. Most of this infrastructure has reached the end of its life expectancy.

DISCUSSION

Project Description

The Churchill Avenue, Winnipeg Boulevard and Wavell Street infrastructure renewal project includes the following improvements:

- installation of sanitary sewers and existing private drain connection renewal,
- installation of storm sewers and existing private drain connection renewal,
- installation of watermain and individual water services to property line where applicable;
- installation of low impact development (LID) features on Churchill Avenue and Winnipeg Boulevard;
- full road reconstruction including new asphalt, curb and gutter, and sidewalk;
- installation of parking bays, including accessible parking spots, on Churchill Avenue.

Infrastructure replacement needs have been coordinated within the Environmental and Engineering Services Department. The funding for this project comes from the approved 2020 Wastewater and Treatment, Water, and Transportation Capital Works Budgets.

Public Consultation

A project update meeting was held on December 5, 2019 for all owners and residents within and immediately bordering the project area to address questions and concerns. The meeting was attended by a small number of property owners with no significant concerns noted.

Service Replacement

In conjunction with the construction of this project, the City is replacing existing sanitary and storm sewer Private Drain Connections (PDCs) to approximately two metres back of curb. This helps to minimize future excavations and extend the service life of the roadway. As part of this project, the water service connections will be replaced to the property line. 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.

Traffic and Parking By-law

As part of this project, the City is installing a painted crosswalk on Churchill Avenue near Calgary Street. In addition, parking bays with accessible parking spots will be installed on the south side of Churchill Avenue from Winnipeg Boulevard to Edmonton Street. Traffic and Parking By-law amendments will be introduced to a Municipal Council meeting at a future date.

Tender Summary

Tenders for the 2020 Infrastructure Renewal Program Churchill Avenue, Winnipeg Boulevard, Wavell Street Project were posted on February 7, 2020. Eight contractors submitted tender prices as listed below, excluding HST.

CONTRACTOR		TENDER PRICE SUBMITTED
1.	Elgin Construction Company Limited	\$3,771,467.32
2.	Bre-Ex Construction Incorporated	\$3,838,351.81
3.	J-AAR Excavating Limited	\$3,933,193.05
4.	CH Excavating (2013)	\$3,957,748.06
5.	291 Construction Ltd	\$4,087,851.59
6.	Blue-Con Construction	\$4,230,888.37
7.	Omega Contractors Incorporated	\$4,438,487.54
8.	L-82 Construction Limited	\$5,719,114.17

All tenders have been checked by the Environmental and Engineering Services Department and Dillon Consulting Limited. No mathematical errors were found. The results of the tendering process indicate a competitive process. The tender estimate prior to tender opening was \$4,341,032.19, excluding HST. All tenders include a contingency allowance of \$500,000.00.

Consulting Services

Dillon Consulting Limited was awarded the detailed design of the Churchill Avenue, Winnipeg Boulevard, Wavell Street project by Council on March 26, 2019. Due to the

consultant’s knowledge and positive performance on the detailed design, the consultant was invited to submit a proposal to carry out the contract administration and resident supervision for this project. Dillon Consulting Limited submitted a proposal which included an upset limit of \$383,190.50. This proposal contains a 10% contingency. Staff have reviewed the fee submission, including 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 was consistent with other Infrastructure Renewal Program assignments of similar scope. The continued use of Dillon Consulting Limited on this project for construction administration is of financial advantage to the City because the firm 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, civic administration is recommending that Dillon Consulting Limited be authorized to carry out the remainder of engineering services, as construction administrators, and complete this project for a fee estimate of \$383,190.50, excluding HST. These fees are associated with the construction contract administration and resident supervision services to ensure that the City receives the product specified and associated value. The approval of this work will bring the total engineering services associated with the design and construction of Churchill Avenue, Winnipeg Boulevard, Wavell Street to \$836,390.50, excluding HST, between 2019 and 2020.

Operating Budget Impacts

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

DIVISION	RATIONALE	ANNUAL OPERATIONAL COST INCREASE
Sewer Operations	Additional 166m of storm sewer and an additional 6 catch basins.	\$250
Water Operations	Additional valve and hydrants.	\$300
Transportation Operations	Repainting the crosswalk on Churchill Avenue, west of Calgary Street.	\$600
	Additional snow plowing fees for the parking bays on the south side of Churchill Avenue.	\$2,376
Total		\$3,526

CONCLUSIONS

Civic Administration has reviewed the tender bids and recommends Elgin Construction Company Limited be awarded the construction contract for Churchill Avenue, Winnipeg Boulevard, Wavell Street.

Dillon Consulting Limited has demonstrated an understanding of the City's requirements for this project, and it is recommended that this firm continue as the consulting engineer for the purpose of contract administration and resident supervision services, as it is in the best financial and technical interests of the City.

SUBMITTED BY:	CONCURRED BY:
ASHLEY M. RAMMELOO, MMSc., P. ENG. DIVISION MANAGER SEWER ENGINEERING	SCOTT MATHERS, MPA, P. ENG. DIRECTOR, WATER AND WASTEWATER
RECOMMENDED BY:	
KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	

KJC/cm

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

c.c. John Freeman	Gary McDonald	Doug MacRae
Ugo DeCandido	Chris Ginty	
Dillon Consulting Limited	Elgin Construction Company Limited	

APPENDIX 'A'

#20027

Chair and Members
Civic Works Committee

March 10, 2020
(Award Contract)

RE: RFT 20-21 - 2020 Infrastructure Renewal Program
Churchill Avenue, Winnipeg Boulevard, Wavell Street Project
(Subledger WS19C009)
Capital Project ES241420 - Infrastructure Renewal Program - Sanitary Sewers
Capital Project ES254020 - Infrastructure Renewal Program - Stormwater Sewers & Treatment
Capital Project EW376520 - Infrastructure Renewal Program - Watermains
Capital Project TS512318 - Street Light Maintenance
Elgin Construction Company Limited - \$3,771,467.32 (excluding H.S.T.)
Dillon Consulting Limited - \$383,190.50 (excluding H.S.T.)

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

Finance & Corporate Services confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Environmental & Engineering Services & City Engineer, the detailed source of financing for this project is:

SUMMARY OF ESTIMATED EXPENDITURES	Approved Budget	Revised Budget	Committed to Date	This Submission	Balance for Future Work
ES241420 - IRP-Sanitary Sewers					
Engineering	\$1,724,865	\$1,724,865	\$99,292	\$116,980	\$1,508,593
Engineering (Utilities Share)	68,176	68,176	68,176		0
Construction	8,543,460	8,543,460	871,708	1,133,724	6,538,028
Construction (Utilities Share)	1,169,247	1,169,247	1,169,247		0
City Related Expenses	25,000	25,000			25,000
	<u>11,530,748</u>	<u>11,530,748</u>	<u>2,208,423</u>	<u>1,250,704</u>	<u>8,071,621</u>
ES254020 - IRP-Stormwater Sewers & Treatment					
Engineering	2,000,000	2,000,000	99,293	116,980	1,783,727
Construction	11,392,126	11,392,126	871,708	1,133,723	9,386,695
City Related Expenses	100,000	100,000			100,000
	<u>13,492,126</u>	<u>13,492,126</u>	<u>971,001</u>	<u>1,250,703</u>	<u>11,270,422</u>
EW376520 - IRP-Watermains					
Engineering	2,318,186	2,318,186	247,120	155,974	1,915,092
Construction	15,000,000	15,000,000	2,424,908	1,511,632	11,063,460
	<u>17,318,186</u>	<u>17,318,186</u>	<u>2,672,028</u>	<u>1,667,606</u>	<u>12,978,552</u>
TS512318 - Street Light Maintenance					
Engineering	307,716	307,716	307,716		0
Construction	1,941,362	1,941,362	1,684,489	58,765	198,108
Relocate Utilities	1,351,364	1,351,364	1,222,268		129,096
	<u>3,600,442</u>	<u>3,600,442</u>	<u>3,214,473</u>	<u>58,765</u>	<u>327,204</u>
NET ESTIMATED EXPENDITURES	<u>\$45,941,502</u>	<u>\$45,941,502</u>	<u>\$9,065,925</u>	<u>\$4,227,778</u> 1)	<u>\$32,647,799</u>

SUMMARY OF FINANCING:

ES241420 - IRP-Sanitary Sewers					
Capital Sewer Rates	\$5,642,540	\$5,642,540			\$5,642,540
Federal Gas Tax	4,650,785	4,650,785	971,000	1,250,704	2,429,081
Contribution from Utility Companies	1,237,423	1,237,423	1,237,423		0
	<u>11,530,748</u>	<u>11,530,748</u>	<u>2,208,423</u>	<u>1,250,704</u>	<u>8,071,621</u>
ES254020 - IRP-Stormwater Sewers & Treatment					
Capital Sewer Rates	2,277,960	2,277,960	971,001	1,250,703	56,256
Drawdown from Sewage Works Reserve Fund	11,214,166	11,214,166			11,214,166
	<u>13,492,126</u>	<u>13,492,126</u>	<u>971,001</u>	<u>1,250,703</u>	<u>11,270,422</u>
EW376520 - IRP-Watermains					
Capital Water Rates	10,753,000	10,753,000	2,672,028	1,667,606	6,413,366
Drawdown from Capital Water Reserve Fund	6,565,186	6,565,186			6,565,186
	<u>17,318,186</u>	<u>17,318,186</u>	<u>2,672,028</u>	<u>1,667,606</u>	<u>12,978,552</u>
TS512318 - Street Light Maintenance					
Capital Levy	3,533,477	3,533,477	3,214,473	58,765	260,239
Drawdown from Capital Infrastructure Gap R.F.	66,965	66,965			66,965
	<u>3,600,442</u>	<u>3,600,442</u>	<u>3,214,473</u>	<u>58,765</u>	<u>327,204</u>
TOTAL FINANCING	<u>\$45,941,502</u>	<u>\$45,941,502</u>	<u>\$9,065,925</u>	<u>\$4,227,778</u>	<u>\$32,647,799</u>

1) **Financial Note (CONSTRUCTION)**

	ES241420	ES254020	EW376520	TS512318	CONSTRUCTION TOTAL
Contract Price	\$1,114,116	\$1,114,115	\$1,485,487	\$57,749	\$3,771,467
Add: HST @13%	144,835	144,835	193,113	7,507	490,290
Total Contract Price Including Taxes	1,258,951	1,258,950	1,678,600	65,256	4,261,757
Less: HST Rebate	125,227	125,227	166,968	6,491	423,913
Net Contract Price	<u>\$1,133,724</u>	<u>\$1,133,723</u>	<u>\$1,511,632</u>	<u>\$58,765</u>	<u>\$3,837,844</u>

Financial Note: (ENGINEERING)

	ES241420	ES254020	EW376520	ENGINEERING TOTAL
Contract Price	\$114,957	\$114,957	\$153,276	\$383,190
Add: HST @13%	14,944	14,944	19,926	49,814
Total Contract Price Including Taxes	129,901	129,901	173,202	433,004
Less: HST Rebate	12,921	12,921	17,228	43,070
Net Contract Price	<u>\$116,980</u>	<u>\$116,980</u>	<u>\$155,974</u>	<u>\$389,934</u>

TOTAL CONSTRUCTION & ENGINEERING

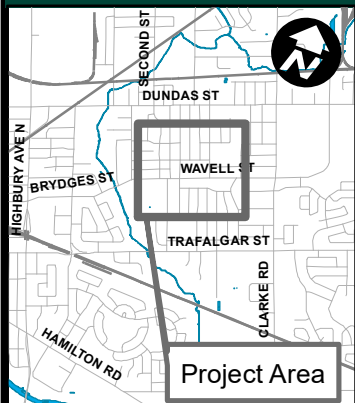
\$4,227,778

2) Additional annual operating costs to Sewer Operations, Water Operations and Transportation Operations attributed to new infrastructure installation are as follows; Sewer Operations - \$250, Water Operations - \$300 and Transportation Operations - \$2,976.

APPENDIX 'B'



LOCATION MAP



**2020 Infrastructure Renewal Program
Contract 9**

Churchill Avenue from Vancouver Street to Edmonton Street
 Winnipeg Boulevard from Wavell Street to Churchill Avenue
 Wavell Street from Vancouver Street to Winnipeg Boulevard

 Project Area

Map Produced by the
Sewer Engineering
Division

February 11 2020 CM



London
CANADA
300 Dufferin Avenue,
PO Box 5035
London, Ontario
N6A 4L9
www.London.ca