

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON APRIL 15, 2020
FROM:	KELLY SCHERR, P. ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL AND ENGINEERING SERVICES AND CITY ENGINEER
SUBJECT:	CONTRACT AWARD: RFT 20-03 2020 INFRASTRUCTURE RENEWAL PROGRAM CONTRACT 5 - CHIPPENDALE CRESCENT RECONSTRUCTION

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 2020 Infrastructure Renewal Program Contract 5 - Chippendale Crescent Reconstruction project:

- (a) the bid submitted by CH Excavating (2013) at its tendered price of \$3,094,136.91 excluding HST, **BE ACCEPTED**; it being noted that the bid submitted by CH Excavating (2013) was the lowest of five bids received and meets the City's specifications and requirements in all areas;
- (b) GM BluePlan Engineering 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 \$282,447.00, 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) 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 (RFT 20-03); 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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- Appointment of Consulting Engineers, Infrastructure Renewal Program 2017-2019, Civic Works Committee, July 17, 2017.

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.
- Improve the quality of pedestrian environments to support healthy and active lifestyles.

BACKGROUND

Purpose

This report recommends award of tender to CH Excavating (2013), and continuation of consulting services to GM BluePlan Engineering Limited (GM BluePlan) for the reconstruction of Chippendale Crescent. A project location map is included for reference in Appendix 'B'.

Context

Chippendale Crescent has been identified as a high priority in the infrastructure renewal program due to the poor condition of the municipal infrastructure. Most of this infrastructure dates from the late 1950s and has reached the end of its life.

DISCUSSION

The Chippendale Crescent infrastructure renewal project includes the following improvements:

- installation of sanitary sewers and existing private drain connection renewal, where applicable;
- installation of storm sewers and existing private drain connection renewal, where applicable;
- installation of watermain and individual water services to property line where applicable;
- full road reconstruction including new asphalt, curb and gutter, and sidewalk;
- installation of a new sidewalk on one side of Chippendale Crescent.

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 and Water Capital Works Budgets.

Public Consultation

A project update meeting was held on December 11, 2019 for all owners and residents within and immediately bordering the project area to address questions and concerns. This meeting was attended by multiple property owners with tree concerns noted. Staff have been informed of a number of residents with special needs that will be accommodated throughout this construction contract. Communication has taken place with all property 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 replacing existing sewer private drain connections (PDCs) to approximately two metres back of the curb, where applicable, to help 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.

Tender Summary

Tenders for the 2020 Infrastructure Renewal Program for the Chippendale Crescent reconstruction project were opened on March 4, 2020. Five contractors submitted tender prices as listed below, excluding HST.

CONTRACTOR		TENDER PRICE SUBMITTED
1.	CH Excavating (2013)	\$3,094,136.91
2.	Bre-Ex Construction Inc	\$3,217,661.13
3.	291 Construction Ltd	\$3,293,066.78
4.	Omega Contractors Inc.	\$3,346,645.72
5.	J-AAR Excavating Limited	\$3,644,748.35

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

The tender estimate just prior to tender opening was \$3,289,436.50 excluding HST. All tenders include a contingency allowance of \$300,000.00.

Operating Budget Impacts

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

Division	Rationale	Operational Cost Increase
Sewer Operations	Additional sewer maintenance	\$250
Roadside Operations	Additional sidewalk maintenance	\$1,035
Total		\$1,285

Consulting Services

GM BluePlan was awarded the detailed design for Chippendale Crescent by Council on July 26, 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. GM BluePlan submitted a proposal which included an upset limit of \$282,447.00, excluding HST. 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 GM BluePlan on this project for construction administration is of financial advantage to the City because GM BluePlan 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 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 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, GM BluePlan has satisfactorily completed a substantial part of the project and is recommended for award of the balance of the project. The administration recommends that GM BluePlan be authorized to carry out the remainder of engineering services to complete this Contract 5 - 2020 Chippendale Crescent Reconstruction project for the provided fee estimate of \$282,447.00, excluding HST, noting the upset amount for total engineering services is \$506,308.00 excluding HST spread over 2017-2021.

CONCLUSIONS

Award of the 2020 Infrastructure Renewal Program, Contract 5 - Chippendale Crescent Reconstruction project to CH Excavating (2013) will allow the project objectives to be met within the available budget and schedule.

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

SUBMITTED BY:	REVIEWED & CONCURRED BY:
ASHLEY RAMMELOO, MMSc., P.ENG. DIVISION MANAGER SEWER 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' – Project Location Map

c.c. John Freeman	Doug MacRae	Alan Dunbar
Ugo DeCandido	Aaron Rozentals	Kyle Chambers
Jason Davies	Chris Ginty	Bell Canada
GM BluePlan	Gary McDonald	CH Excavating (2013)

APPENDIX 'A'

Chair and Members
Civic Works Committee

#20054
April 15, 2020
(Award Contract)

RE: Contract Award: RFT20-03 2020 Infrastructure Renewal Program
Contract 5 - Chippendale Crescent Reconstruction
(Subledger WS18C005)
Capital Project ES241420 - Sewer Infrastructure Lifecycle Renewal
Capital Project ES254020 - IRP - Stormwater Sewers & Treatment
Capital Project EW376520 - IRP - Watermain
CH Excavating (2013) - \$3,094,136.91 (excluding H.S.T.)
GM BluePlan Engineering Limited - \$282,447.00 (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	Committed to Date	This Submission	Balance for Future Work
<u>ES241420 - Sewer Infrastructure Lifecycle Renewal</u>				
Engineering	1,724,865	402,561	86,225	1,236,079
Engineering (Utilities Share)	68,176	68,176		0
Construction	8,543,460	4,512,527	944,578	3,086,355
Construction (Utilities Share)	1,257,613	1,257,613		0
City Related Expenses	25,000			25,000
	<u>11,619,114</u>	<u>6,240,877</u>	<u>1,030,803</u>	<u>4,347,434</u>
<u>ES254020 - IRP - Stormwater Sewers & Treatment</u>				
Engineering	2,000,000	399,611	86,225	1,514,164
Construction	11,392,126	4,382,291	944,578	6,065,257
City Related Expenses	100,000			100,000
	<u>13,492,126</u>	<u>4,781,902</u>	<u>1,030,803</u>	<u>7,679,421</u>
<u>EW376520 - IRP - Watermain</u>				
Engineering	2,318,186	838,838	114,967	1,364,381
Construction	15,000,000	8,617,667	1,259,438	5,122,895
	<u>17,318,186</u>	<u>9,456,505</u>	<u>1,374,405</u>	<u>6,487,276</u>
NET ESTIMATED EXPENDITURES	<u>\$42,429,426</u>	<u>\$20,479,284</u>	<u>\$3,436,011</u> 1)	<u>\$18,514,131</u>
	Approved Budget	Committed to Date	This Submission	Balance for Future Work
<u>SUMMARY OF FINANCING:</u>				
<u>ES241420 - Sewer Infrastructure Lifecycle Renewal</u>				
Capital Sewer Rates	5,642,540	264,303	1,030,803	4,347,434
Federal Gas Tax	4,650,785	4,650,785		0
Other Contributions (Utilities)	1,325,789	1,325,789		0
	<u>11,619,114</u>	<u>6,240,877</u>	<u>1,030,803</u>	<u>4,347,434</u>
<u>ES254020 - IRP - Stormwater Sewers & Treatment</u>				
Capital Sewer Rates	2,277,960	2,277,960		0
Drawdown from Sewage Works R.F.	11,214,166	2,503,942	1,030,803	7,679,421
	<u>13,492,126</u>	<u>4,781,902</u>	<u>1,030,803</u>	<u>7,679,421</u>
<u>EW376520 - IRP - Watermain</u>				
Capital Water Rates	10,753,000	9,456,505	1,296,495	0
Drawdown from Capital Water R.F.	6,565,186		77,910	6,487,276
	<u>17,318,186</u>	<u>9,456,505</u>	<u>1,374,405</u>	<u>6,487,276</u>
TOTAL FINANCING	<u>\$42,429,426</u>	<u>\$20,479,284</u>	<u>\$3,436,011</u>	<u>\$18,514,131</u>

APPENDIX 'A'

Chair and Members
Civic Works Committee

#20054
April 15, 2020
(Award Contract)

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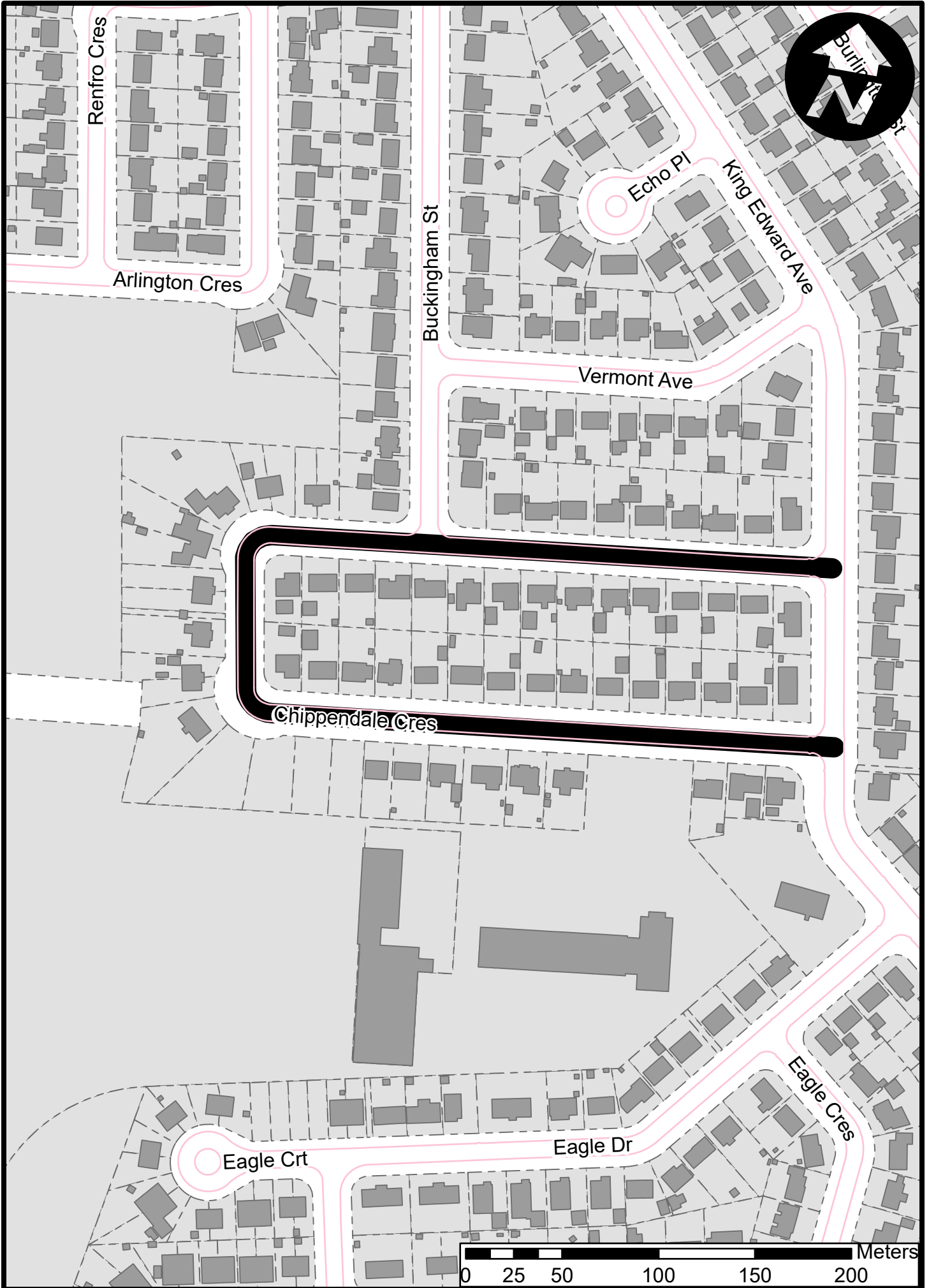
		ENGINEERING			
1) FINANCIAL NOTE:	ES241420	ES254020	EW376520	Total	
Contract Price	\$84,734	\$84,734	\$112,979	\$282,447	
Add: HST @13%	11,015	11,015	14,687	36,717	
Total Contract Price Including Taxes	95,749	95,749	127,666	319,164	
Less: HST Rebate	9,524	9,524	12,699	31,747	
Net Contract Price	<u>\$86,225</u>	<u>\$86,225</u>	<u>\$114,967</u>	<u>\$287,417</u>	
		CONSTRUCTION			
	ES241420	ES254020	EW376520	Total	
Contract Price	\$928,241	\$928,241	\$1,237,655	\$3,094,137	
Add: HST @13%	120,671	120,671	160,895	402,237	
Total Contract Price Including Taxes	1,048,912	1,048,912	1,398,550	3,496,374	
Less: HST Rebate	104,334	104,334	139,112	347,780	
Net Contract Price	<u>\$944,578</u>	<u>\$944,578</u>	<u>\$1,259,438</u>	<u>\$3,148,594</u>	
TOTAL ENGINEERING & CONSTRUCTION				<u>\$3,436,011</u>	

2) Additional annual operating costs attributed to new infrastructure as follows: Sewer Operations - \$250, Roadside Operations - \$1,035.

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Jason Davies
Manager of Financial Planning & Policy

APPENDIX 'B'




LOCATION MAP



2020 Infrastructure Renewal Project – Contract 5

Chippendale Crescent from King Edward Avenue to King Edward Avenue

Legend:

 2020 Construction

Map Produced by the
Sewer Engineering Division
A.CORPODEAN

Jan 31, 2020

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

