

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON APRIL 15, 2020
FROM:	KELLY SCHERR, P. ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	APPOINTMENT OF CONSULTING ENGINEER FOR CONSTRUCTION ADMINISTRATION SERVICES: 2020 INFRASTRUCTURE RENEWAL PROGRAM SPRUCE STREET AND HAIG STREET

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 assignment of consulting services for the resident inspection and construction administration of the Infrastructure Renewal Program, Spruce Street and Haig Street project.

- (a) Stantec 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 \$299,537.70, excluding HST, in accordance with Section 15.2 (g) of the City of London’s Procurement of Goods and Services Policy;
- (b) the financing for this project **BE APPROVED** as set out in 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 approval 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
--

- Civic Works Committee – June 19, 2018 – Agenda Item # 2.8 – Appointment of Consulting Engineers – Infrastructure Renewal Program

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 the continuation of consulting services to Stantec Consulting Limited for the reconstruction of Spruce Street and Haig Street. A project location map is included for reference in Appendix 'B'.

Context

Spruce Street and Haig Street 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

Project Description

The Spruce Street and Haig Street infrastructure renewal project includes the following improvements:

- installation of sanitary sewers and appurtenances;
- installation of storm sewers and appurtenances;
- installation of watermain and individual water services to property line where applicable; and
- full road reconstruction including new asphalt, curb and gutter, and sidewalk.

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.

Consulting Services

Stantec Consulting Limited was awarded the detailed design of the Spruce Street and Haig Street project by Council on June 26, 2018. 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 inspection for this project. Stantec Consulting Limited submitted a proposal which included an upset limit of \$299,537.70, excluding HST. 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 Stantec 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 Stantec Consulting Limited be authorized to carry out the remainder of engineering services, as construction administrators, and complete this project for a fee estimate of \$299,537.70, excluding HST. These fees are associated with the construction contract administration and resident inspection services to ensure that the City receives the product specified and associated value. The approval of this work will bring the total engineering services for this project to \$551,621.70, excluding HST, spread over 2018 to 2020.

CONCLUSIONS

Stantec 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 inspection services, as it is in the best financial and technical interests of the City.

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

Attach: Appendix ‘A’ – Sources of Financing
 Appendix ‘B’ – Project Location Map

c.c. John Freeman Doug MacRae Alan Dunbar
 Ugo DeCandido Ashley Rammeloo Kyle Chambers
 Jason Davies Chris Ginty Gary McDonald
 Stantec Consulting Limited

APPENDIX 'A'

Chair and Members
Civic Works Committee

#20052
April 15, 2020
(Appoint Consulting Engineer)

**RE: Appoint Consulting Engineer for Construction Administration Services:
2020 Infrastructure Renewal Program Spruce Street and Haig Street
(Subledger WS20C004)
Capital Project ES241420 - Sewer Infrastructure Lifecycle Renewal
Capital Project ES254020 - IRP - Stormwater Sewers & Treatment
Capital Project EW376520 - IRP - Watermain
Stantec Consulting Limited - \$299,537.70 (excluding H.S.T.)**

FINANCE & CORPORATE SERVICES REPORT ON THE SOURCES OF FINANCING:

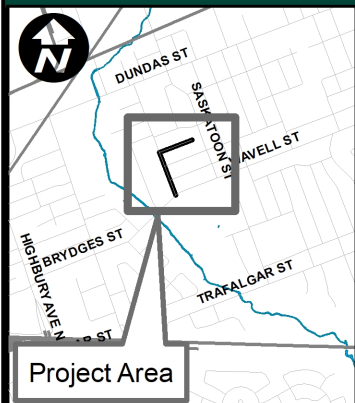
Finance & Corporate Services confirms that the cost of this project can be accommodated within the financing available for it in the Capital Works Budget and that, subject to the adoption of the recommendations of the Managing Director, Environmental & Engineering Services & City Engineer, the detailed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

<u>SUMMARY OF ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
<u>ES241420 - Sewer Infrastructure Lifecycle Renewal</u>				
Engineering	1,724,865	226,868	91,444	1,406,553
Engineering (Utilities Share)	68,176	68,176		0
Construction	8,543,460	3,718,444		4,825,016
Construction (Utilities Share)	1,257,613	1,257,613		0
City Related Expenses	25,000			25,000
	<u>11,619,114</u>	<u>5,271,101</u>	<u>91,444</u>	<u>6,256,569</u>
<u>ES254020 - IRP - Stormwater Sewers & Treatment</u>				
Engineering	2,000,000	223,919	91,443	1,684,638
Construction	11,392,126	3,588,208		7,803,918
City Related Expenses	100,000			100,000
	<u>13,492,126</u>	<u>3,812,127</u>	<u>91,443</u>	<u>9,588,556</u>
<u>EW376520 - IRP - Watermain</u>				
Engineering	2,318,186	604,581	121,924	1,591,681
Construction	15,000,000	7,558,890		7,441,110
	<u>17,318,186</u>	<u>8,163,471</u>	<u>121,924</u>	<u>9,032,791</u>
NET ESTIMATED EXPENDITURES	<u>\$42,429,426</u>	<u>\$17,246,699</u>	<u>\$304,811</u> 1)	<u>\$24,877,916</u>
	<u>Revised Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
<u>SUMMARY OF FINANCING:</u>				
<u>ES241420 - Sewer Infrastructure Lifecycle Renewal</u>				
Capital Sewer Rates	5,642,540			5,642,540
Federal Gas Tax	4,650,785	3,945,312	91,444	614,029
Other Contributions (Utilities)	1,325,789	1,325,789		0
	<u>11,619,114</u>	<u>5,271,101</u>	<u>91,444</u>	<u>6,256,569</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	1,534,167	91,443	9,588,556
	<u>13,492,126</u>	<u>3,812,127</u>	<u>91,443</u>	<u>9,588,556</u>
<u>EW376520 - IRP - Watermain</u>				
Capital Water Rates	10,753,000	8,163,471	121,924	2,467,605
Drawdown from Capital Water R.F.	6,565,186			6,565,186
	<u>17,318,186</u>	<u>8,163,471</u>	<u>121,924</u>	<u>9,032,791</u>
TOTAL FINANCING	<u>\$42,429,426</u>	<u>\$17,246,699</u>	<u>\$304,811</u>	<u>\$24,877,916</u>
1) <u>FINANCIAL NOTE:</u>	<u>ES241420</u>	<u>ES254020</u>	<u>EW376520</u>	<u>Total</u>
Contract Price	\$89,862	\$89,861	\$119,815	\$299,538
Add: HST @13%	11,682	11,682	15,576	38,940
Total Contract Price Including Taxes	101,544	101,543	135,391	338,478
Less: HST Rebate	10,100	10,100	13,467	33,667
Net Contract Price	<u>\$91,444</u>	<u>\$91,443</u>	<u>\$121,924</u>	<u>\$304,811</u>

APPENDIX 'B'




LOCATION MAP



**2020 Infrastructure Renewal Program
Assignment B - Spruce Street and Haig Street**

Spruce Street from Wavell Street to Haig Street
Haig Street from Spruce Street to east limit.

 Project Area

Map Produced by the
Sewer Engineering
Division

March 17 2020 CM



**London
CANADA**

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