

TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MARCH 18, 2013
FROM:	JOHN LUCAS, P.ENG. DIRECTOR, WATER & WASTEWATER ENVIRONMENTAL AND ENGINEERING SERVICES
SUBJECT	APPOINTMENT OF CONSULTING ENGINEER GORDON SANITARY TRUNK SEWER REHABILITATION PROJECT NO. ES 2473

RECOMMENDATION

That, on the recommendation of the Director, Wastewater and Treatment, Environmental and Engineering Services, the following actions **BE TAKEN** with respect to the appointment of a consultant for the Gordon Sanitary Trunk Sewer Rehabilitation (ES 2473):

- (a) Dillon Consulting Ltd., 130 Dufferin Ave., London, ON, N6A 5R2, **BE APPOINTED** Consulting Engineers for the Gordon Sanitary Trunk Sewer Rehabilitation Project in accordance with the estimate, on file, at an upset amount of \$18,150, including 10% contingency, excluding HST, based upon the Fee Guideline for Professional Engineering Services, recommended by the Ontario Society of Professional Engineers; 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 approvals given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract with the consultant for the work;
- (d) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with these projects; 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

None.

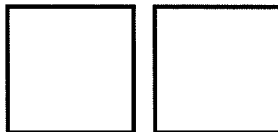
BACKGROUND

Purpose:

In 2002 the Trunk Sewer Inspection Program revealed that much of the Gordon Trunk Sanitary Sewer was in poor condition due to hydrogen sulphide corrosion. Various projects have been undertaken to rehabilitate sections of this sewer since then. The purpose of this report is to recommend the appointment of Dillon Consulting Ltd. for the preparation and execution of a Request for Proposal to undertake the next phase of the rehabilitation work.

Context:

The Gordon Trunk Sanitary Sewer is a vital piece of infrastructure that services a large portion of the City. It is also a sewer that has seen extensive damage as the result of hydrogen sulphide corrosion. Previous projects include replacement projects from 2004 to 2011, and cured-in-place-pipe (CIPP) lining projects from 2007 to 2011.



Discussion:

Dillon has been involved with multiple Gordon Trunk Sewer Rehabilitation projects. They have demonstrated their ability to carry out these projects in a technically sound manner, on schedule and on budget. Thus, it is to the financial advantage of the City to continue to use Dillon for this project.

This phase of work was originally scheduled for 2012. Dillon had prepared a contract for the preparation and administration of RFP documents. The original budget was \$47,300 (excl. HST). However, the RFP was cancelled when submissions exceeded the available construction budget.

Additional funds are now available to complete the intended work. Dillon has submitted a cost of \$18,150 (excl. HST) for the preparation and administration of a revised Request for Proposal, and is recommended for award. The revised work plan and associated fees have been reviewed by City staff and are deemed to be appropriate for the scope of work. It is the intent of staff to award the construction administration portion of the consulting assignment valued at \$54,560 (excl. HST) to Dillon subject to satisfactory completion of the RFP preparation. The total anticipated cost for Dillon's services over the two years is \$120,010 (excl. HST).

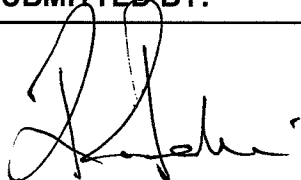
Summary:

The Gordon Trunk Sanitary Sewer is a vital piece of infrastructure that services a large portion of the City. The system is in distress due to hydrogen sulphide corrosion. A multi-year program is in progress with the next phase requiring consulting services to prepare an RFP for pipe relining. Dillon's proposed work program meets delivery requirements needed to proceed in a timely and cost effective manner because they are familiar with the work required, having been involved in previous phases and this phase. Therefore, their services represent the best value to the City for this project.

There are no additional operating costs associated with this project.

Acknowledgements:

This report was prepared within the Sewer Operations Division by Ashley Rammeloo, P.Eng.

SUBMITTED BY:	RECOMMENDED BY:
	
RICK PEDLOW, C.E.T. DIVISION MANAGER SEWER OPERATIONS DIVISION	JOHN LUCAS, P.ENG. DIRECTOR, WATER & WASTEWATER ENVIRONMENTAL AND ENGINEERING SERVICES
REVIEWED & CONCURRED BY:	
JOHN BRAAM, P.ENG. MANAGING DIRECTOR – ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER	

March 5, 2013

/AR

Attach.: Appendix "A" – Sources of Financing

c.c. John Braam, Managing Director and City Engineer, Environmental & Engineering Services
Dillon Consulting Ltd.

APPENDIX 'A'

#13017

Chair and Members
Civic Works Committee

March 1, 2013
(Appoint Consulting Engineer)

**RE: Gordon Sanitary Trunk Sewer Rehabilitation
Capital Project ES2473 - Gordon Trunk Sewer Rehabilitation
Dillon Consulting Ltd. - \$18,150 (excluding H.S.T.)**

FINANCE DEPARTMENT REPORT ON THE SOURCES OF FINANCING:

Finance Department 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 Director, Water and Wastewater, the detailed source of financing for this project is:

<u>ESTIMATED EXPENDITURES</u>	<u>Approved Budget</u>	<u>Committed to Date</u>	<u>This Submission</u>	<u>Balance for Future Work</u>
Engineering	\$400,000	\$284,951	\$18,470	\$96,579
Construction	4,600,000	2,409,287		2,190,713
NET ESTIMATED EXPENDITURES	<u>\$5,000,000</u>	<u>\$2,694,238</u>	<u>\$18,470</u> 1)	<u>\$2,287,292</u>

<u>SOURCE OF FINANCING:</u>				
Drawdown from Sewage Works Reserve Fund	\$3,000,000	\$694,238	\$18,470	\$2,287,292
Federal Gas Tax	2,000,000	2,000,000		0
TOTAL FINANCING	<u>\$5,000,000</u>	<u>\$2,694,238</u>	<u>\$18,470</u>	<u>\$2,287,292</u>

Financial Note:

1) Contract Price	\$18,150
Add: HST @13%	2,360
Total Contract Price Including Taxes	<u>20,510</u>
Less: HST Rebate	2,040
Net Contract Price	<u>\$18,470</u>

JG



Alan Dunbar
Manager of Financial Planning & Policy