

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

From: Kelly Scherr, P.Eng., MBA, FEC
Managing Director, Environmental & Engineering Services
and City Engineer

Subject: RFP 20-60 Large Diameter Watermain Inspection

Date: January 19, 2021

Recommendation

That, on the recommendation of the Managing Director, Environmental and Engineering Services & City Engineer, the following actions be taken with respect to the Large Diameter Watermain Inspection project:

- The bid submitted by Kenwave Solutions Inc., 7080 Derrycrest Drive, Mississauga, Ontario, L5W 0G5, in the amount of \$1,041,546.00 (excluding H.S.T.) be awarded in accordance with Section 15.2.e of the City of London's Procurement of Goods and Services Policy.
- The financing for this project be approved as set out in the Sources of Financing Report attached hereto as Appendix A.
- The Civic Administration be authorized to undertake all the administrative acts that are necessary in connection with this project.
- The Mayor and City Clerk be authorized to execute any contract or other documents, if required, to give effect to these recommendations.

Executive Summary

Purpose

This report recommends that Kenwave Solutions Inc. be appointed as the consultant to undertake the large diameter watermain inspection of the Clarke Road, Commissioners Road East, Huron Street, King Street, Sunningdale Road West and Wellington Road pipelines.

Context

The inspection of trunk watermains is an annual program designed to secure the reliability of the City of London's water supply and allow staff to make informed decisions regarding condition and need for repair. This information helps mitigate the risk of catastrophic watermain breaks and helps to better manage our critical watermain assets.

Linkage to the Corporate Strategic Plan

This recommendation supports the following 2019-2023 Strategic Plan areas of focus:

- Leading in Public Service:
 - Trusted, open, and accountable in service of our community;
 - Exceptional and valued customer service; and
 - Leader in public service as an employer, a steward of public funds, and an innovator of service.
- Building a Sustainable City:
 - London's infrastructure is built, maintained, and operated to meet the long-term needs of our community

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

- 2019 Large Diameter Watermain Inspection Civic Works Committee Report February 5, 2019.
- Long-Term Large Diameter Pipe Inspection Strategy and Single Source Procurement Civic Works Committee Report July 21, 2014.
- Concrete Pressure Pipe Inspection Fiber Optic Installation Amendment of Existing Contract Civic Works Committee Report May 29, 2012.

2.0 Discussion and Considerations

The City of London's trunk watermains are critical infrastructure in London's water supply system. The trunk watermains supply water to the smaller diameter pipelines which in turn supply water to individual customers. The City's trunk watermains are critical infrastructure that ensure adequate water supply and reliability for customers.

Inspection of the City's trunk watermains will secure the reliability of the City of London's water supply and allow staff to make informed decisions regarding condition and need for repair. This year's annual inspection will identify the need to carry out maintenance on the trunk watermains which will reduce the potential for catastrophic watermain breaks in the future. The decision of which sections of pipeline are to be inspected each year is based on pipe age, pipe material, criticality, and anticipated construction projects for that section.

For this iteration inspection program, six sections of pipe were identified for inspection with a total length of approximately 21 km. The inspections are to be completed over the duration of a two-year period. The details on the pipelines being inspected are as follows:

- Clarke Road from Oxford Street East to Trafalgar Street. Pipe is 2.8 kilometres of 600-millimetre steel installed in 1967 & 1968.
- Commissioners Road East from 200 metres west of Deveron Crescent to 1 kilometre east of Jackson Road. Pipe is 3.6 kilometres of 600-millimetre concrete and 75 metres of 600-millimetre steel installed in 1977.
- Huron Street from Adelaide Street North to Clarke Road. Pipe is 5.0 kilometres of 600-millimetre steel installed in 1955 and 1956.
- King Street from Maitland Street to Egerton Street. Pipe is 1.7 kilometres of 600-millimetre concrete installed in 1966.
- Sunningdale Rd West from 600 metres east of Richmond Street to Hyde Park Road and Hyde Park Road from Sunningdale Road West to Fanshawe Park Road West. Pipe is 4 kilometres of 900-millimetre concrete installed in 1996 and 3 kilometres of 900-millimetre steel installed in 1990 and 1995.
- Wellington Road from Commissioners Road East to Southdale Road East. Pipe is 1.7 kilometres of 600-millimetre concrete installed in 1960.w

3.0 Financial Impact/Considerations

The inspections assignments were awarded on an individual basis and the three Proponents submitted separate technical and cost proposals for each of the six inspections. These watermains were assessed by the Water Engineering Department before the request for proposal was issued and it was determined that the different technologies offered by each of the respective Proponents would be able to provide the desired level of inspection. This decision was based on the relative age of the watermains and the locations of these watermains. In November of 2020, three engineering firms responded to the open request for proposal in accordance with section 15.2 (e) of the City of London's Procurement of Goods and Services Policy.

After evaluation of the request for proposal submissions, the City's evaluation team determined that Kenwave Solutions Inc. provided the best value and their technology presented the least amount of operational risk for all six inspections. The technical proposals and fee submissions were evaluated in accordance with the City of London's Procurement of Goods and Services Policy and it was found that the proposals met all of the key project requirements and provided the best value to the City for inspection services.

Conclusion

Kenwave Solutions Inc. has experience undertaking similar work of this caliber while providing useful and actionable information for large diameter watermain repairs. Although they have not completed work for the City of London in the past, their team has extensive experience with similar work and is well qualified to undertake the required inspections.

Based on the results of the request for proposal submissions and based on the review by the evaluation team, it is determined that retaining Kenwave Solutions Inc. is in the best financial and technical interests of the City. It is recommended that Kenwave Solutions Inc. be awarded this contract in the amount of \$1,041,546.00 (excluding H.S.T.) to undertake all tasks related to the six large diameter watermain inspections.

Prepared by: Aaron Rozentals, GDPA, P.Eng., Division Manager,
Water Engineering

Submitted by: Scott Mathers, MPA, P. Eng., Director, Water And
Wastewater

Recommended by: Kelly Scherr, P. Eng., MBA, FEC
Managing Director, Environmental and Engineering
Services and City Engineer

CC: Stephen Romano, J. Simon, Elia Rizkalla (KenWave Solutions Inc.)

Appendix "A"

#21006

January 19, 2021

(Appoint Consulting Engineer)

Chair and Members

Civic Works Committee

RE: RFP 20-60 Large Diameter Watermain Inspection

(Subledger NT21EW01)

Capital Project EW371718 - Inspect Trunk Concrete Pressure Pipes

Kenwave Solutions Inc. - \$1,041,546.00 (excluding HST)

Finance and Corporate Services Report on the Sources of Financing:

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

Estimated Expenditures	Approved Budget	Committed To This Date	This Submission	Balance for Future Work
Engineering	1,206,045	146,168	1,059,877	0
Construction	2,018,955	1,694,138	0	324,817
City Related Expenses	40,059	38,288	0	1,771
Total Expenditures	\$3,265,059	\$1,878,594	\$1,059,877	\$326,588
Sources of Financing				
Capital Water Rates	2,980,353	1,878,594	1,059,877	41,882
Drawdown from Capital Water Reserve Fund	284,706	0	0	284,706
Total Financing	\$3,265,059	\$1,878,594	\$1,059,877	\$326,588

Financial Note:

Contract Price	\$1,041,546
Add: HST @13%	135,401
Total Contract Price Including Taxes	1,176,947
Less: HST Rebate	-117,070
Net Contract Price	\$1,059,877

Jason Davies

Manager of Financial Planning & Policy

jg