

## Report to Civic Works Committee

**To:** Chair and Members  
Civic Works Committee

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

**Subject:** Appointment of Consulting Engineer for Construction  
Administration Services  
2021 Infrastructure Renewal Program  
Regent Street and Maitland Street Valve Chamber and  
Instrumentation

**Date:** April 20, 2021

## 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 appointment of consulting services for the construction administration of the 2021 Infrastructure Renewal Program Regent Street and Maitland Street Valve Chamber and Instrumentation project:

- (a) Dillon Consulting Limited, **BE AUTHORIZED** to carry out the resident inspection and contract administration for the Regent Street and Maitland Street Valve Chamber and Instrumentation project in accordance with the estimate, on file, at an upset amount of \$349,499.76, including 10% contingency, 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.

## Executive Summary

### Purpose

This report recommends the continuation of consulting engineer services for construction administration of the 2021 Infrastructure Renewal Program Regent Street and Maitland Street Valve Chamber and Instrumentation project. This project involves the installation of a new drinking water valve chamber and instrumentation at the intersection of Regent Street and Maitland Street. The construction for this project is being awarded separately from the construction administration work through the Administrative Approval of Tender Acceptance/Contract Award process.

### Context

The installation of a new valve chamber at the Regent Street and Maitland Street intersection is the first phase in a multi-phase project that was identified for construction under the annual Infrastructure Renewal Program. The new valve chamber will replace the existing valve chamber (Chamber 13) which is currently located in the Huron Street Woods. A location map depicting the approximate limits of the reconstruction project is provided in Appendix 'B'.

## Linkage to the Corporate Strategic Plan

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

- 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

- Civic Works Committee – May 27, 2013 – Appointment of Consulting Engineers, Infrastructure Renewal Program 2014-2015, Recommendation a) (viii)
- Civic Works Committee – June 19, 2018, Appointment of Consulting Engineers, Infrastructure Renewal Program 2019-2020, Recommendation b) (vi).
- Civic Works Committee – October 30, 2018, Notice of Completion, William Street Storm Sewer Outfall Municipal Class Environmental Assessment.

### 2.0 Discussion and Considerations

#### 2.1 Project Description

The Regent Street and Maitland Street Valve Chamber and Instrumentation project includes the following improvements:

- Asphalt removal and replacement,
- Sidewalk removal and installation,
- Removal and replacement of storm sewers, sanitary sewers, watermain and appurtenances,
- Installation of cast in place water valve chamber and instrumentation cabinet,
- Pavement marking, and
- All traffic control associated with completing the work.

Infrastructure replacement needs have been coordinated within the Environmental and Engineering Services. There is sufficient funding for this work in the Capital Budget.

#### 2.2 Background

Dillon Consulting Limited completed the Old North Servicing Strategy in 2014, in which the main goal identified was to make improvements to the stormwater servicing in the area. Through the design a conflict was found with an older watermain, requiring its relocation. As part of this work an existing water valve chamber called Chamber 13 needed to be relocated to the intersection of Regent Street and Maitland St. The relocation of the chamber is the first phase of several phases of work required for the relocation. The benefits of the new water chamber are as follows:

- The new chamber will ensure ease of access for Operators as well as provide more instrumentation to allow work to be undertaken outside of the chamber. The existing Chamber 13 is located within the Huron Street Woods. This has caused accessibility issues for Operations due to flooding, wildlife and trees in the area. The existing chamber's design is also very deep which makes it difficult for Operators to access.
- Replaces the existing chamber which is nearing the end of its useful life.
- Allows for the Acoustic Fibre Optic system that is installed in the transmission main from the Arva Pumping Station to be extended all the way to the new

chamber. When the previous Acoustic Fibre Optic was installed, it had to be stopped shy of Chamber 13 due to steep slopes.

The existing valve chamber in this area acts as one of the largest water distribution junctions in the City. Therefore, it is of great importance to make this junction as functional as possible.

### **3.0 Financial Impact/Considerations**

#### **3.1 Consulting Engineer Services**

Dillon Consulting Limited was awarded the pre-design and detailed design of the Old North West Area Phase 1 (Sections of William Street, Regent Street, Maitland Street, Huron Street, Fraser Avenue) reconstruction by Council on June 26, 2018. This project was then divided into phases, with the construction of a new valve chamber and instrumentation at the Regent Street and Maitland Street intersection being the first phase. Due to the consultant's knowledge and positive performance on the pre-design and detailed design of Phase 1, the consultant was invited to submit a proposal to carry out the contract administration of the project. Dillon Consulting Limited submitted a proposal which includes an upset limit of \$349,499.76, including 10% contingency, excluding HST.

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 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, for a fee estimate of \$349,499.76, including 10% contingency, excluding HST. These fees are associated with the construction administration 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 \$770,517.86, including 10% contingency, excluding HST, for both detailed design and construction administration. Note that a portion of the detailed design that was completed was towards a future phase of this project.

### **Conclusion**

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

**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, Chris Ginty, Kyle Chambers, Ashley  
Rammeloo (City of London)

**Jason Johnson (Dillon Consulting Limited)**

Appendix 'A' – Sources of Financing

Appendix 'B' – Location Map

**Appendix "A"**

#21052

April 20, 2021

(Appoint Consulting Engineer)

Chair and Members

Civic Works Committee

RE: Construction Administration Services - 2021 Infrastructure Renewal Program

Regent Street and Maitland Street Valve Chamber and Instrumentation

(Subledger WS19C006)

Capital Project ES241421 - Infrastructure Renewal Program - Sanitary Sewers

Capital Project ES254021 - Infrastructure Renewal Program - Stormwater Sewers and Treatment

Capital Project EW383318 - Main Replacement Maintenance

Dillon Consulting Limited - \$349,499.76 (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 is:

<b>Estimated Expenditures</b>	<b>Approved Budget</b>	<b>Committed To This Date</b>	<b>This Submission</b>	<b>Balance for Future Work</b>
<b>ES241421 - Infrastructure Renewal Program - Sanitary Sewers</b>				
Engineering	2,000,000	318,174	30,230	1,651,596
Construction	11,615,864	6,420,637	0	5,195,227
Construction (Utilities Share)	91,750	91,750	0	0
City Related Expenses	25,000	0	0	25,000
<b>ES241421 Total</b>	<b>13,732,614</b>	<b>6,830,561</b>	<b>30,230</b>	<b>6,871,823</b>
<b>ES254021 - Infrastructure Renewal Program - Stormwater Sewers and Treatment</b>				
Engineering	2,000,000	311,750	30,231	1,658,019
Construction	7,944,576	6,412,290	0	1,532,286
City Related Expenses	100,000	0	0	100,000
<b>ES254021 Total</b>	<b>10,044,576</b>	<b>6,724,040</b>	<b>30,231</b>	<b>3,290,305</b>
<b>EW383318 - Main Replacement Maintenance</b>				
Engineering	309,810	14,620	295,190	0
Construction	2,064,770	1,744,463	0	320,307
City Related Expenses	300,000	44,416	0	255,584
<b>EW383318 Total</b>	<b>2,674,580</b>	<b>1,803,499</b>	<b>295,190</b>	<b>575,891</b>
<b>Total Expenditures</b>	<b>\$26,451,770</b>	<b>\$15,358,100</b>	<b>\$355,651</b>	<b>\$10,738,019</b>

**Sources of Financing**

**ES241421 - Infrastructure Renewal Program - Sanitary Sewers**

Capital Sewer Rates	9,140,864	4,488,811	30,230	4,621,823
Drawdown from Sewage Works Reserve Fund	2,250,000	0	0	2,250,000
Federal Gas Tax	2,250,000	2,250,000	0	0
Other Contributions (Utilities)	91,750	91,750	0	0
<b>ES241421 Total</b>	<b>13,732,614</b>	<b>6,830,561</b>	<b>30,230</b>	<b>6,871,823</b>

**Appendix "A"**

**#21052**  
 April 20, 2021  
 (Appoint Consulting Engineer)

Chair and Members  
 Civic Works Committee

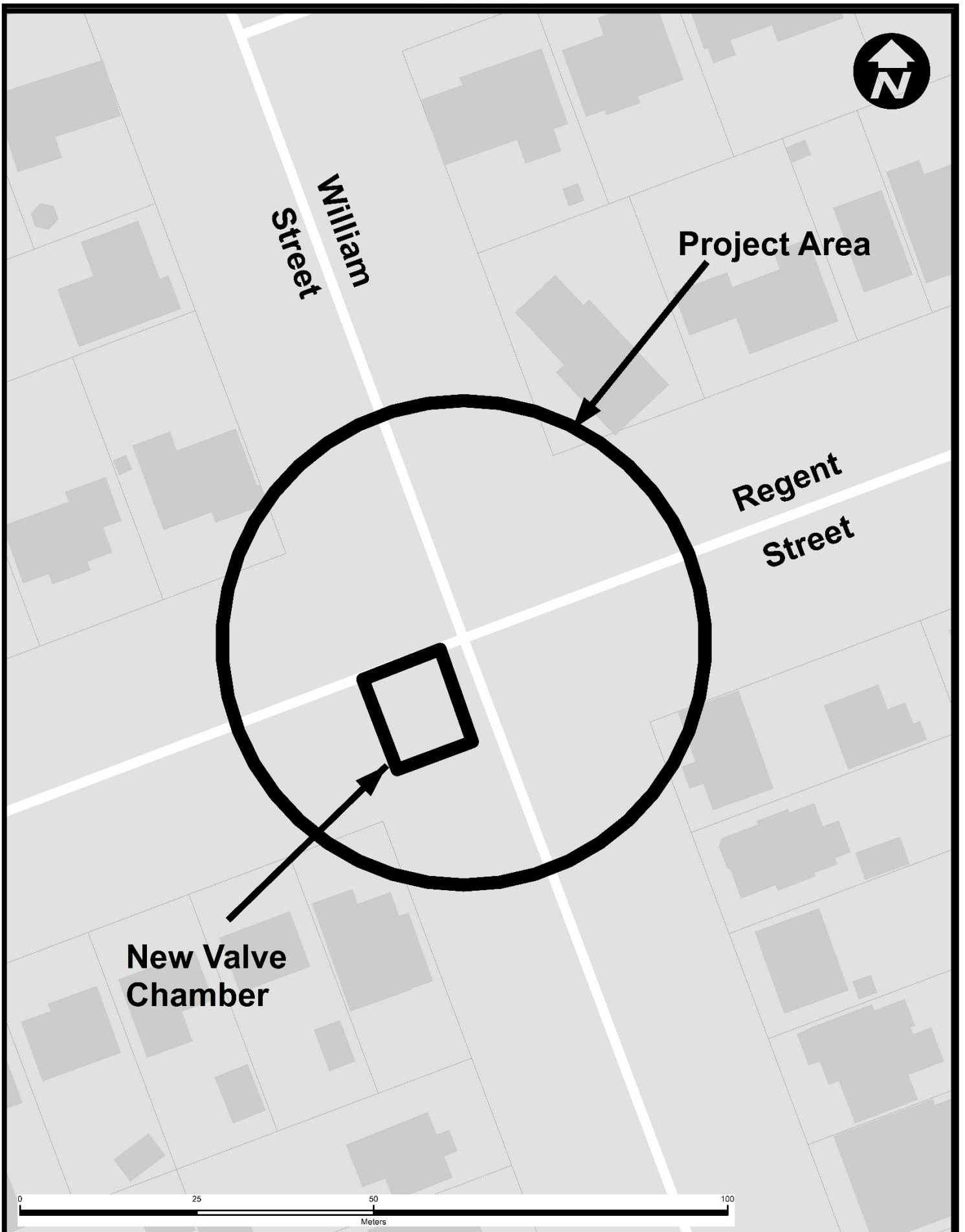
RE: Construction Administration Services - 2021 Infrastructure Renewal Program  
 Regent Street and Maitland Street Valve Chamber and Instrumentation  
 (Subledger WS19C006)  
 Capital Project ES241421 - Infrastructure Renewal Program - Sanitary Sewers  
 Capital Project ES254021 - Infrastructure Renewal Program - Stormwater Sewers and Treatment  
 Capital Project EW383318 - Main Replacement Maintenance  
 Dillon Consulting Limited - \$349,499.76 (excluding HST)

<b>Sources of Financing continued</b>	<b>Approved Budget</b>	<b>Committed To This Date</b>	<b>This Submission</b>	<b>Balance for Future Work</b>
<b>ES254021 - Infrastructure Renewal Program - Stormwater Sewers and Treatment</b>				
Capital Sewer Rates	820,480	820,480	0	0
Drawdown from Sewage Works Reserve Fund	6,974,096	3,653,560	30,231	3,290,305
Federal Gas Tax	2,250,000	2,250,000	0	0
<b>ES254021 Total</b>	<b>10,044,576</b>	<b>6,724,040</b>	<b>30,231</b>	<b>3,290,305</b>
<b>EW383318 - Main Replacement Maintenance</b>				
Capital Water Rates	2,674,580	1,803,499	295,190	575,891
<b>Total Financing</b>	<b>\$26,451,770</b>	<b>\$15,358,100</b>	<b>\$355,651</b>	<b>\$10,738,019</b>

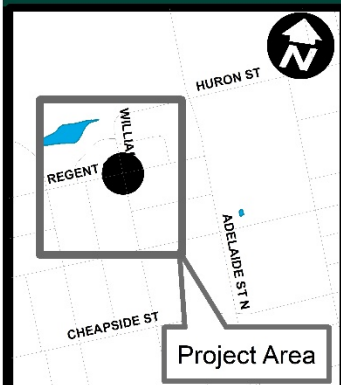
<b>Financial Note:</b>	<b>ES241421</b>	<b>ES254021</b>	<b>EW383318</b>	<b>Total</b>
Contract Price	\$29,707	\$29,708	\$290,085	\$349,500
Add: HST @13%	3,862	3,862	37,711	45,435
Total Contract Price Including Taxes	33,569	33,570	327,796	394,935
Less: HST Rebate	-3,339	-3,339	-32,606	-39,284
Net Contract Price	\$30,230	\$30,231	\$295,190	\$355,651

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 Jason Davies  
 Manager of Financial Planning & Policy

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**LOCATION MAP**



**2021 Infrastructure Renewal Program  
Regent Street and Maitland Street Valve  
Chamber and Instrumentation**

Regent Street and Maitland Street Intersection Work

 Project Area

Map Produced by  
the Sewer  
Engineering  
Division

March 12 2021 CM



**London**  
CANADA

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