

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

From: Kelly Scherr, P.Eng., MBA, FEC
Deputy City Manager, Environment & Infrastructure

Subject: Appointment of Consulting Engineers for Construction
Administration Services
2021 Infrastructure Renewal Program Sackville Street and
2021 Infrastructure Renewal Program Watson Street

Date: May 11, 2021

Recommendation

That on the recommendation of the Deputy City Manager, Environment & Infrastructure, the following actions **BE TAKEN** with respect to the appointment of consulting services for the construction administration of the 2021 Infrastructure Renewal Program Sackville Street project and Watson Street project:

- (a) IBI Group **BE AUTHORIZED** to carry out the resident inspection and contract administration for the Sackville Street project in accordance with the estimate, on file, at an upset amount of \$229,284.00, 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) AECOM Canada Ltd **BE AUTHORIZED** to carry out the resident inspection and contract administration for the Watson Street project in accordance with the estimate, on file, at an upset amount of \$262,661.30, including 10% contingency, excluding HST, in accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy.
- (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 these projects.
- (e) the approval given, herein, **BE CONDITIONAL** upon the Corporation entering into a formal contract; and
- (f) 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 for the 2021 Sackville Street Infrastructure Renewal Project and the 2021 Watson Street Infrastructure Renewal Project. These projects will reconstruct Sackville Street from Ormsby Street to CNRA Park, and all of Watson Street, respectively.

Context

Sackville Street has been identified for reconstruction under the annual Infrastructure Renewal Program as the sanitary sewer, storm sewer and watermain within the project limits are at the end of their useful life. Watson Street has similarly been identified for reconstruction under the annual Infrastructure Renewal Program. Location maps depicting the approximate limits for each reconstruction project are 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 – June 8, 2016, Appointment of Consulting Engineers, Infrastructure Renewal Program 2017-2018, Recommendation a) (x), (ix)
- Civic Works Committee – May 15, 2018, Authorization of Consultant Engineers for Resident Inspection and Contract Inspection (2018), Recommendation b).

2.0 Discussion and Considerations

2.1 Project Description

Sackville Street

The Sackville Street project includes the following improvements:

- Watermain replacement including water service renewal to the property line,
- Storm sewer and sanitary sewer replacement,
- Partial replacement of existing private drain connections,
- Renewal of existing sidewalk, and
- Full road reconstruction including new asphalt, curb, and gutter.

Watson Street

The Watson Street project includes the following improvements:

- Watermain replacement including water service renewal to the property line,
- Storm sewer upsizing and sanitary sewer replacement,
- Storm sewer outfall upsizing,
- Landscape restoration around storm sewer outfall,
- Partial replacement of existing private drain connection,
- Renewal of existing sidewalk, and
- Full road reconstruction including new asphalt, curb, and gutter.

Infrastructure replacement needs have been coordinated within the Environment & Infrastructure Service Area. The funding for these projects comes from the approved 2020 and 2021 Wastewater and Treatment, Water capital works budgets.

3.0 Financial Impact/Considerations

3.1 Consulting Engineer Services

Staff have reviewed the fee submissions for both projects, 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 IBI Group for Sackville Street and of AECOM Canada Ltd for Watson Street is of financial advantage to the City because this 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 to maintain this accountability process and to manage risk.

Sackville Street

IBI Group was awarded the detailed design of the Hamilton Road Project by Council on June 14, 2016, which also included the design of Sackville Street. Sackville Street was later separated into its own design assignment due to project scope changes and budget constraints. 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 resident inspection and contract administration for the project. IBI Group submitted a proposal which includes an upset limit of \$229,284.00, including 10% contingency, excluding HST.

In accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, civic administration is recommending that IBI Group be authorized to carry out the remainder of engineering services, as construction administrators, for a fee estimate of \$229,284.00, including 10% contingency, excluding HST. These fees are associated with the construction resident inspection and contract 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, as well as Hamilton Road design and supervision to \$1,300,622.20, including 10% contingency, excluding HST, for both detailed design and construction administration.

Watson Street

AECOM Canada Ltd was awarded the detailed design of the Watson Street project by Council on June 14, 2016. 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 resident inspection and contract administration for the project. AECOM Canada Ltd submitted a proposal which includes an upset limit of \$262,661.30, including 10% contingency, excluding HST.

In accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, civic administration is recommending that AECOM Canada Ltd be authorized to carry out the remainder of engineering services, as construction administrators, for a fee estimate of \$262,661.30, including 10% contingency, excluding HST. The approval of this work will bring the total engineering services for this project to \$785,430.80, including 10% contingency, excluding HST, for both detailed design and construction administration.

Conclusion

IBI Group and AECOM Canada Ltd. have both demonstrated an understanding of the City's requirements for Sackville Street and Watson Street respectively, and it is recommended that these firms continue as the consulting engineers for the purpose of resident inspection and contract administration services as it is in the best financial and technical interests of the City.

Prepared by: Ashley M. Rammeloo, MMSc, P.Eng., Division Manager,
Sewer Engineering

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

Recommended by: Kelly Scherr, P.Eng., MBA, FEC, Deputy City Manager, Environment & Infrastructure

CC: D. Gough, C. Ginty, K. Chambers, A. Rozentals

Appendix 'A' – Sources of Financing

Appendix 'B' – Location Maps

Appendix "A"

#21061

May 11, 2021

(Appoint Consulting Engineers)

Chair and Members

Civic Works Committee

RE: Construction Administration Services for 2021 Infrastructure Renewal Program for Sackville Street and Watson Street

(Subledger WS20C013) Sackville

(Subledger WS17C00D) Watson

Capital Project ES241420 - Infrastructure Renewal Program - Sanitary Sewers

Capital Project ES241421 - Infrastructure Renewal Program - Sanitary Sewers

Capital Project ES254020 - Infrastructure Renewal Program - Stormwater Sewers and Treatment

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

Capital Project EW376520 - Infrastructure Renewal Program - Watermains

Capital Project EW376521 - Infrastructure Renewal Program - Watermains

IBI Group - \$229,284.00 (excluding HST) - Sackville Street

AECOM Canada Ltd. - \$262,661.30 (excluding HST) - Watson Street

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 Deputy City Manager, Environment and Infrastructure, the detailed source of financing is:

Estimated Expenditures	Approved Budget	Committed To This Date	This Submission	Balance for Future Work
ES241420 - Infrastructure Renewal Program - Sanitary Sewers				
Engineering	3,102,988	2,978,934	124,054	0
Engineering (Utilities Share)	68,176	68,176	0	0
Construction	7,399,205	7,273,446	0	125,759
Construction (Utilities Share)	1,257,613	1,257,613	0	0
ES241420 Total	11,827,982	11,578,169	124,054	125,759
ES241421 - Infrastructure Renewal Program - Sanitary Sewers				
Engineering	2,000,000	386,388	69,996	1,543,616
Construction	11,615,864	7,913,344	0	3,702,520
Construction (Utilities Share)	116,098	116,098	0	0
City Related Expenses	25,000	0	0	25,000
ES241421 Total	13,756,962	8,415,830	69,996	5,271,136
ES254020 - Infrastructure Renewal Program - Stormwater Sewers and Treatment				
Engineering	3,059,215	2,925,356	124,055	9,804
Construction	10,552,502	8,559,391	0	1,993,111
City Related Expenses	100,000	9,141	0	90,859
ES254020 Total	13,711,717	11,493,888	124,055	2,093,774
ES254021 - Infrastructure Renewal Program - Stormwater Sewers and Treatment				
Engineering	1,186,636	379,965	69,996	736,675
Construction	8,757,940	8,757,940	0	0
City Related Expenses	100,000	0	0	100,000
ES254021 Total	10,044,576	9,137,905	69,996	836,675

Appendix "A"

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RE: Construction Administration Services for 2021 Infrastructure Renewal Program for Sackville Street and Watson Street

(Subledger WS20C013) Sackville

(Subledger WS17C00D) Watson

EW376520 - Infrastructure Renewal Program - Watermains	Approved Budget	Committed To This Date	This Submission	Balance for Future Work
Engineering	3,077,209	3,041,724	19,174	16,311
Construction	14,814,352	14,058,961	0	755,391
Utilities	1,457	1,457	0	0
City Related Expenses	96	96	0	0
EW376520 Total	17,893,114	17,102,238	19,174	771,702
EW376521 - Infrastructure Renewal Program - Watermains				
Engineering	2,500,000	337,856	93,328	2,068,816
Construction	13,719,930	8,089,247	0	5,630,683
EW376521 Total	16,219,930	8,427,103	93,328	7,699,499
Total Expenditures	\$83,454,281	\$66,155,133	\$500,603	\$16,798,545

Sources of Financing

ES241420 - Infrastructure Renewal Program - Sanitary Sewers				
Capital Sewer Rates	5,642,540	5,642,540	0	0
Drawdown from Sewage Works Reserve Fund	2,263,196	2,013,383	124,054	125,759
Federal Gas Tax	2,596,457	2,596,457	0	0
Other Contributions (Utilities)	1,325,789	1,325,789	0	0
ES241420 Total	11,827,982	11,578,169	124,054	125,759
ES241421 - Infrastructure Renewal Program - Sanitary Sewers				
Capital Sewer Rates	9,140,864	6,049,732	69,996	3,021,136
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)	116,098	116,098	0	0
ES241421 Total	13,756,962	8,415,830	69,996	5,271,136
ES254020 - Infrastructure Renewal Program - Stormwater Sewers and Treatment				
Capital Sewer Rates	2,277,960	2,277,960	0	0
Drawdown from Sewage Works Reserve Fund	8,977,362	6,759,533	124,055	2,093,774
Federal Gas Tax	2,445,671	2,445,671	0	0
Other Contributions	10,724	10,724	0	0
ES254020 Total	13,711,717	11,493,888	124,055	2,093,774

Appendix "A"

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RE: Construction Administration Services for 2021 Infrastructure Renewal Program for Sackville Street and Watson Street
 (Subledger WS20C013) Sackville
 (Subledger WS17C00D) Watson

ES254021 - Infrastructure Renewal Program - Stormwater Sewers and Treatment	Approved Budget	Committed To This Date	This Submission	Balance for Future Work
Capital Sewer Rates	820,480	820,480	0	0
Drawdown from Sewage Works Reserve Fund	6,974,096	6,067,425	69,996	836,675
Federal Gas Tax	2,250,000	2,250,000	0	0
ES254021 Total	10,044,576	9,137,905	69,996	836,675
EW376520 - Infrastructure Renewal Program - Watermains				
Capital Water Rates	10,753,000	10,753,000	0	0
Drawdown from Capital Water Reserve Fund	7,140,114	6,349,238	19,174	771,702
EW376520 Total	17,893,114	17,102,238	19,174	771,702
EW376521 - Infrastructure Renewal Program - Watermains				
Capital Water Rates	11,672,800	7,790,583	93,328	3,788,889
Drawdown from Capital Water Reserve Fund	3,910,610	0	0	3,910,610
Federal Gas Tax	636,520	636,520	0	0
EW376521 Total	16,219,930	8,427,103	93,328	7,699,499
Total Financing	\$83,454,281	\$66,155,133	\$500,603	\$16,798,545

Financial Note: IBI Group	ES241421	ES254021	EW376521	Total
Contract Price	\$68,785	\$68,785	\$91,714	\$229,284
Add: HST @13%	8,942	8,942	11,923	29,807
Total Contract Price Including Taxes	<u>77,727</u>	<u>77,727</u>	<u>103,637</u>	<u>259,091</u>
Less: HST Rebate	-7,731	-7,731	-10,309	-25,771
Net Contract Price	\$69,996	\$69,996	\$93,328	\$233,320

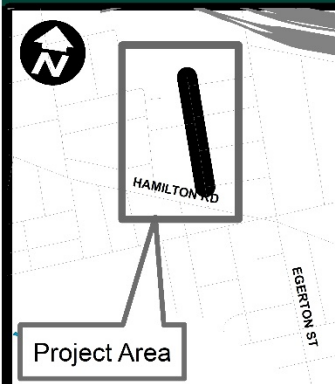
Financial Note: AECOM Canada Ltd.	ES241420	ES254020	EW376520	Total
Contract Price	\$121,909	\$121,910	\$18,842	\$262,661
Add: HST @13%	15,848	15,848	2,449	34,145
Total Contract Price Including Taxes	<u>137,757</u>	<u>137,758</u>	<u>21,291</u>	<u>296,806</u>
Less: HST Rebate	-13,703	-13,703	-2,117	-29,523
Net Contract Price	\$124,054	\$124,055	\$19,174	\$267,283

Total **\$500,603**

Jason Davies
 Manager of Financial Planning & Policy



LOCATION MAP



**2021 Infrastructure Renewal Program
Contract 9**

Sackville Street from Ormsby Street to CNRA Park

 Project Area

Map Produced by
the Sewer
Engineering
Division

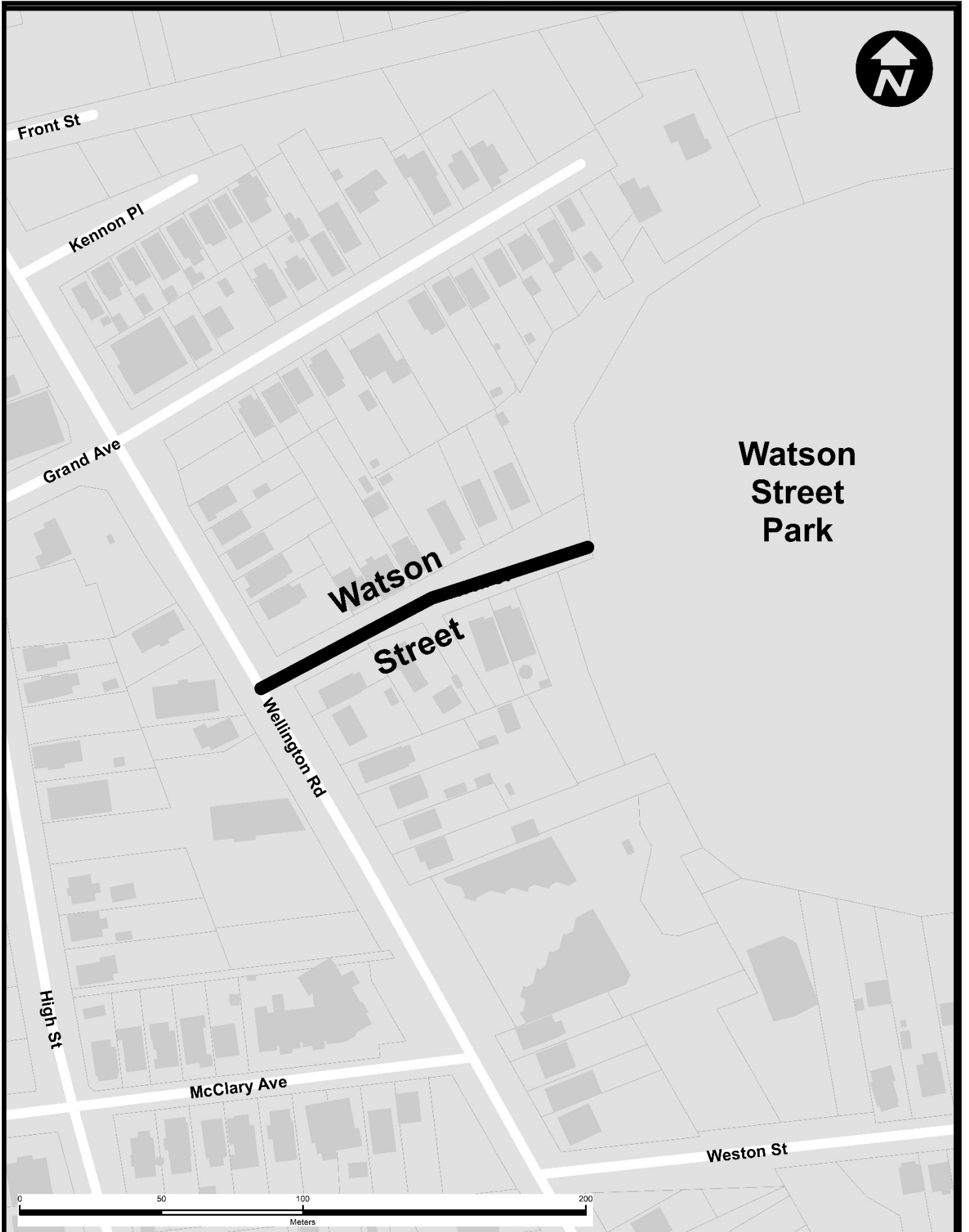
March 16 2021 CM



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APPENDIX 'B'



LOCATION MAP



2021 Infrastructure Renewal Program
Contract 7

Watson Street from Wellington Road to Watson Street Park

Project Area

Map Produced by
the Sewer
Engineering
Division

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