

## 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:** 2021 At-Grade Rail Crossing Improvements  
RFT 21-54 – Irregular Result

**Date:** June 22, 2021

## Recommendation

That on the recommendation of the Deputy City Manager, Environment & Infrastructure the following actions **BE TAKEN** with respect to the tender RFT21-54, 2021 At-Grade Rail Crossing Improvements:

- a) the irregular bid submitted by Dufferin Construction Company, A division of CRH Canada Group Inc., at its tendered price of \$489,889.20 (excluding HST), **BE ACCEPTED** in accordance with the 'Procurement of Goods and Services Policy' Section 8.10 (b) and Section 13.2 (b);
- b) the financing for this work **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix A;
- c) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, as required, to give effect to these recommendations; and,
- d) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary, to give effect to these recommendations.

## Linkage to the Corporate Strategic Plan

This report supports the Strategic Plan in the following areas:

- Building a Sustainable City:
  - Infrastructure is built, maintained, and operated to meet the long-term needs of our community;
  - Moving around the city safely and easily in a manner that meets residents' needs; and,
  - Growth and development is well planned and sustainable over the long term.
- 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 and a steward of public funds.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

- March 29, 2016 – Civic Works Committee – Transport Canada Grade Crossing Regulations
- September 26, 2017 – Civic Works Committee – Transport Canada Grade Crossing Regulations and Railway Funding Applications

## **2.0 Discussion and Considerations**

### **2.1 Purpose**

The purpose of this report is to seek Council approval to award the 2021 At-Grade Rail Crossing Improvements contract to Dufferin Construction Company, A division of CRH Canada Group Inc. (hereon referenced to as Dufferin Construction Company) to construct necessary improvements to the at-grade rail crossings within the City of London.

Transport Canada has identified that federally regulated railway grade crossings must meet the requirements of the Grade Crossings Regulations by November 28, 2021. London has 65 at-grade rail crossings within its limits.

The City of London has taken a proactive approach with rail crossing safety. In 2017, a consultant was hired to review all at-grade crossings within the City to determine specific recommendations for compliance with Transport Canada Grade Crossing Regulations. The review assessed signage, pavement markings, vegetation, fencing and other factors, and the result was a report which offered numerous recommendations, with varying levels of responsibilities and coordination between the City of London, Canadian National Railway, Canadian Pacific Railway, and utility companies.

Improvements have occurred in previous years through maintenance activities by City Roadside Operations as well as through infrastructure improvement contracts adjacent to rail crossings. The current RFT21-54 At-Grade Rail Crossing Improvements project is to further complete required upgrades to London's at-grade rail crossings in order to comply with the requirements set out by Transport Canada. This project is exclusively on the City's right of way, and involves three general categories of work at rail crossings within the city:

- Concrete work at pedestrian crossings
  - Replacement of sidewalk panels, installation of new sidewalk with tactile plates, and placement of additional line markings, to be compliant with the Accessibility for Ontarians with Disabilities Act (AODA)
- Sign replacement and installation
  - Installation of additional signs, relocation of signs, etc. to be compliant with Ontario Traffic Manual (OTM) Book 6
- Pavement markings
  - Placement of additional line markings to enhance faded line markings, etc. to be compliant with OTM Book 11

Coordination with the railway authorities is required when the works are near the railroad. The City has contacted both Canadian National Railway and Canadian Pacific Railway for flagging assistance in advance of this tender and noted such requirements in the tender package.

## **3.0 Financial Impact/Considerations**

### **3.1 Purchasing Process**

A public Request for Tender (RFT) was issued May 14, 2021 for roadwork crossing improvements at 54 railway crossings. There were seven bid takers and one bid submission. Questions received from the bid takers during the question period were primarily related to the required coordination with the railway authorities. The one bid submission from Dufferin Construction Company was for \$489,889.20 (excluding HST).

The tender estimate prior to opening was \$400,000.00 (excluding HST). The submitted bid value is considered reasonable at \$489,889.20 due to the unusual high degree of railway coordination and the additional insurance required by the railway company. The large amount of work in proximity to the railway and high number of crossings presents a degree of schedule uncertainty that was difficult to quantify in the pre-tender estimate. Railway coordination and the associated railway insurance requirements were also

likely factors in the limited tender response. Railway coordination is a mandatory component of the work due to railway requirements and worker safety.

Civic Administration has reviewed the submitted tender bid and recommends that Dufferin Construction Company be awarded the contract. Due to receipt of only one competitive bid, this result is being reported as an Irregular Result per the Procurement of Goods and Services Policy Section 8.10 Clause b and Section 13.2 Clause b.

#### 8.10 Irregular Result

b. The specifications of a competitive bid cannot be met by two (2) or more suppliers;

#### 13.2 Awards under the RFT process require the following approval:

b. Committee and City Council must approve award of contracts when a tender result is irregular as per Section 8.10 of this Policy;

### **3.2 Financial Impact**

There are sufficient funds available in the approved capital budget to accommodate the identified construction costs. The project is expected to be completed this year to meet the timelines of the Transport Canada Grade Crossing Regulations. Therefore, Civic Administration recommends awarding the contract to allow the construction to proceed.

## **Conclusion**

This work will further complete the required upgrades to the City of London's at-grade railway crossings to comply with the federal Grade Crossing Regulations before the November 28, 2021 deadline. The work will support public safety at railway crossings, which aligns with the City's Road Safety Strategy. It is recommended that the bid from Dufferin Construction Company be accepted; noting that it is within the approved capital budget.

**Prepared By:** Garfield Dales, P.Eng.  
Division Manager, Transportation Planning & Design

**Submitted By:** Doug MacRae, P.Eng., MPA  
Director, Transportation & Mobility

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

**Attachment:** Appendix A - Source of Financing

**cc:** John Freeman, Manager of Purchasing and Supply  
Jason Davies, Manager, Financial Planning and Policy  
Dufferin Construction Company, A division of CRH Canada Group Inc., 2200  
Jetstream Rd, London, Ontario, Canada, N6A4V7

## Appendix "A"

#21104

June 22, 2021

(Award Contract)

Chair and Members  
Civic Works Committee

RE: 2021 At-Grade Rail Crossing Improvements - RFT21-54 Irregular Result

(Subledger RD210002)

Capital Project TS144621 - Road Network Improvements (Main)

Capital Project TS1138 - Road Safety Strategy

Dufferin Construction Company, A division of CRH Canada Group Inc. - \$489,889.20.00 (excluding HST)

### Finance Supports Report on the Sources of Financing:

Finance Supports 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 Date	This Submission	Balance for Future Work
<b>TS144621 - Road Network Improvements (Main)</b>				
Consulting	1,000,000	286,098	0	713,902
Construction	13,650,852	948,504	294,991	12,407,357
City Related Expenses	128	128	0	0
<b>TS144621 Total</b>	<b>14,650,980</b>	<b>1,234,730</b>	<b>294,991</b>	<b>13,121,259</b>
<b>TS1138 - Road Safety Strategy</b>				
Consulting	189,312	130,681	0	58,631
Construction	770,566	521,130	203,520	45,916
City Related Expenses	138,688	131,324	0	7,364
<b>TS1138 Total</b>	<b>1,098,566</b>	<b>783,135</b>	<b>203,520</b>	<b>111,911</b>
<b>Total Expenditures</b>	<b>\$15,749,546</b>	<b>\$2,017,865</b>	<b>\$498,511</b>	<b>\$13,233,170</b>
<b>Sources of Financing</b>				
<b>TS144621 - Road Network Improvements (Main)</b>				
Capital Levy	3,229,699	0	0	3,229,699
Debenture By-law No. W.-5673-150	939,460	0	0	939,460
Drawdown from Capital Infrastructure Gap Reserve Fund	1,510,874	0	0	1,510,874
Federal Gas Tax	8,970,947	1,234,730	294,991	7,441,226
<b>TS144621 Total</b>	<b>14,650,980</b>	<b>1,234,730</b>	<b>294,991</b>	<b>13,121,259</b>
<b>TS1138 - Road Safety Strategy</b>				
Capital Levy	1,041,306	725,875	203,520	111,911
Federal Grants	52,510	52,510	0	0
Other Contributions	4,750	4,750	0	0
<b>TS1138 Total</b>	<b>1,098,566</b>	<b>783,135</b>	<b>203,520</b>	<b>111,911</b>
<b>Total Financing</b>	<b>\$15,749,546</b>	<b>\$2,017,865</b>	<b>\$498,511</b>	<b>\$13,233,170</b>

## Appendix "A"

#21104  
June 22, 2021  
(Award Contract)

Chair and Members  
Civic Works Committee

RE: 2021 At-Grade Rail Crossing Improvements - RFT21-54 Irregular Result  
(Subledger RD210002)

Capital Project TS144621 - Road Network Improvements (Main)

Capital Project TS1138 - Road Safety Strategy

Dufferin Construction Company, A division of CRH Canada Group Inc. - \$489,889.20.00 (excluding HST)

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<b>Financial Note:</b>	<b>TS144621</b>	<b>TS1138</b>	<b>Total</b>
Contract Price	\$289,889	\$200,000	\$489,889
Add: HST @13%	37,686	26,000	63,686
Total Contract Price Including Taxes	327,575	226,000	553,575
Less: HST Rebate	-32,584	-22,480	-55,064
Net Contract Price	\$294,991	\$203,520	\$498,511

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Jason Davies  
Manager of Financial Planning & Policy

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