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TO:	CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 6, 2013
FROM:	JOHN BRAAM, P. Eng. MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER
SUBJECT:	CONTRACT AWARD: TENDER NO. 13-13 2013 INFRASTRUCTURE LIFECYCLE RENEWAL PROGRAM CONTRACT 3: DREANEY AVENUE AND KING EDWARD AVENUE RECONSTRUCTION PROJECT

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services & City Engineer, the following actions **BE TAKEN** with respect to the award of contracts for the 2013 Lifecycle Renewal Program, Contract #3: Dreaney Avenue and King Edward Avenue Reconstruction Project (ES2414-13, EW3765-13, ES3055).

- (a) the bid submitted by Omega Contractors Inc. (Omega), 4104 Breck Avenue, London, Ontario, N0M 2A0, at its tendered price of \$1,768,850.15 (excluding H.S.T.), for the 2013 Infrastructure Lifecycle Renewal Program, Contract #3 project, **BE ACCEPTED**; it being noted that the bid submitted by Omega was the lowest of eight bids received and meets the City's specifications and requirements in all areas;
- (b) R.V. Anderson Associates Limited (RVA), #200-557 Southdale Road East, London, Ontario, N6E 1A2, **BE AUTHORIZED** to carry out the resident inspection and contract administration for the said project in accordance with the estimate, on file, at an upset amount of \$203,500.00 (excluding H.S.T.) 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, it being noted that this firm completed the engineering design for the project;
- (c) minor future additional annual operating costs of \$500.00 **BE RECOGNIZED** as a result of this project, it being noted that these costs are as a result of new infrastructure installation, and will be considered and accommodated within future Water & Wastewater Operating Budgets;
- (d) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix "A";
- (e) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project;
- (f) the approval given herein **BE CONDITIONAL** upon the Corporation entering into a formal contract or issuing a purchase order for the material to be supplied and the work to be done relating to this project (Tender 13-13); and
- (g) 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
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- [Appointment of Consulting Engineers, Infrastructure Lifecycle Renewal Program, 2013-2014 \(Contract 3\), Civic Works Committee, May 29, 2012, Agenda Item #7](#)

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BACKGROUND

Purpose:

This report recommends award of a tender to a contractor and continuation of consulting services for the reconstruction of:

Dreaney Avenue from Hamilton Road to Nelson Street
King Edward Avenue from Veronica Avenue to Thompson Road

This work includes installation of new storm sewers, replacement of existing storm sewers, storm outlet, sanitary sewers, and watermains; and water service replacement, construction of new sidewalks, curb and gutter, and asphalt road.

Infrastructure replacement needs have been coordinated with Wastewater and Drainage Engineering, Water Engineering, and Construction Administration for efficient use of funds during construction.

Discussion:

Both Dreaney Avenue and King Edward Avenue have been identified as a high priority in utility replacement programs due to the poor condition of the municipal infrastructure. The sanitary sewer and private drain connections on these streets were originally constructed in 1913 and 1957 respectively. The sewers and watermain in these locations have reached the end of their life expectancy. Currently, Dreaney Avenue is only partially serviced with storm sewers. Introducing new storm sewers will provide increased surface flooding protection to the neighborhood. Also, the storm outlet for King Edward Avenue is in poor condition and poses an erosion risk within Thompson Road Park.

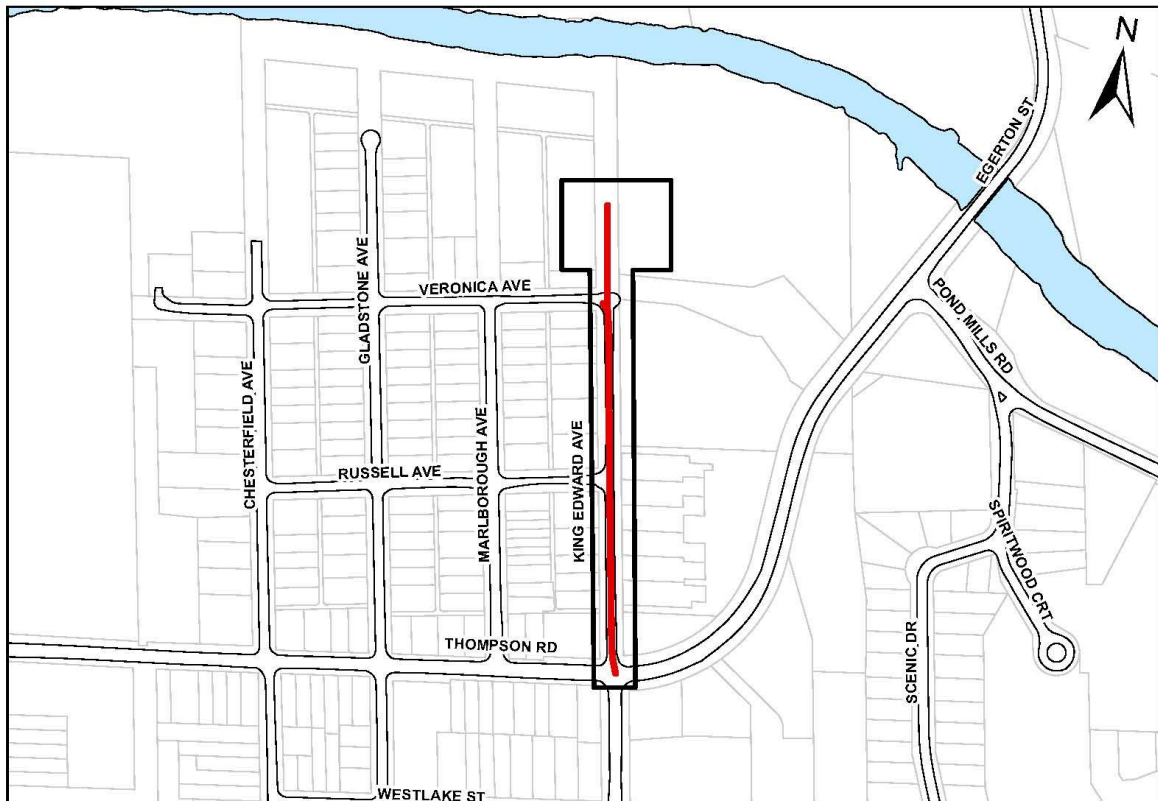
The construction program also includes replacement of lead water services, replacement of private drain connections, replacement of curb and gutter, new sidewalks and full asphalt road replacement for the full limits of construction.

The reconstruction of Dreaney Avenue is Phase IV of the Adelaide Rectory Area Sewer Separation Project. That project began in 2006 with an objective to improve storm drainage servicing to the greater area. Trunk storm sewers routes were defined and sequentially built to current city standards which ensures consistency with the long term planning and vision for the area. Phase I was constructed in 2007 and consisted of installation of a large diameter storm sewer on Lansdowne Avenue and Nelson Street. Phase II was constructed in 2008 and provided a storm outlet for the drainage area which was constructed along Trafalgar Street from Lansdowne Avenue to Adelaide Street. Phase II also included the construction of a sanitary storage facility which allowed for removal of an existing sanitary sewer overflow to the storm sewer at the intersection of Nelson Street and Rectory Street. Phase III was built in 2009 and included the extension of a large diameter trunk storm sewer on Mamelon Street from Nelson Street to Hamilton Road. All phases of work included the replacement of the sanitary sewer and watermain, and construction of a new road. Future phases of this program have been planned for upcoming years.

A public information session was held on January 23, 2013 specifically for all owners and residents within and immediately bordering the project area to address questions and concerns.

Project Location maps are included below for reference.

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In conjunction with the construction of this Capital Works Project, the City is administering the Private Drain Connection (PDC) program which allows property owners within the projects limits an opportunity to voluntarily replace their PDC's at a subsidized cost under the authority of City By-laws. Similarly the Lead Replacement Program is also covered by City By-laws. As part of this project, the water service connection will be replaced to the property line at the City's cost and the property owner may elect to replace their private side connection at their cost.

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Tender Summary:

Tenders for the 2013 Infrastructure Lifecycle Renewal Program, Contract #3 Project were opened on March 21, 2013. Eight (8) contractors submitted tender prices as listed below (exclusive of H.S.T.).

CONTRACTOR		TENDER PRICE SUBMITTED	CORRECTED TENDER PRICE
1.	Omega Contractors Inc.	\$ 1,768,850.15	--
2.	Tri-Con Excavating	\$ 1,877,924.61	--
3.	Elgin Construction	\$ 1,894,043.20	--
4.	CH Excavating	\$ 1,988,844.76	--
5.	United Contracting	\$ 2,016,434.90	--
6.	291 Construction Ltd.	\$ 2,080,250.94	--
7.	Amico Infrastructures Inc.	\$ 2,260,001.25	--
8.	Bre-Ex Limited	\$ 2,267,470.44	--

All tenders have been checked by the Environmental and Engineering Services Department and the City's consultant, RVA. None of the bids contained mathematical errors.

The tender estimate just prior to tender opening was \$2,038,212.30 (excluding H.S.T.). The low tender is about 12% below the estimate. This indicates a very competitive environment and illustrates the benefit of strategically staging City tenders and tendering projects early in the construction season. All tenders include a contingency allowance of \$180,000.00 (excluding H.S.T.).

Minor future additional annual operating costs of \$500.00 are recognized as a result of this project, noting that these costs are attributed to new infrastructure installation and will be considered and accommodated within future Wastewater & Treatment operating budgets.

Consulting Services:

RVA was awarded the detailed design by Council on June 12, 2012. Due to their knowledge and experience with this project, RVA was requested to submit a proposal to carry out the contract administration and resident supervision for this project. In accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, it is recommended that RVA be authorized to carry out the remainder of engineering services to complete this project for the provided fee estimate of \$203,500.00 (excluding H.S.T.), noting the upset amount for total engineering services for the project is \$340,780.00 (excluding H.S.T.) spread over 2011 – 2013.

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Conclusions:

Award of the 2013 Infrastructure Lifecycle Renewal Program, Contract #3 to Omega will allow the project objectives to be met within the available budget.

The use of RVA for the remainder of engineering services for this project is in the best financial and technical interests of the City.

Acknowledgements:

This report was prepared within the Wastewater and Drainage Engineering Division by Ugo DeCandido, Environmental Services Engineer, and Jeff Conrad, Technologist II.

SUBMITTED BY:	RECOMMENDED BY:
JOHN LUCAS, P. ENG. DIRECTOR, WATER AND WASTEWATER	JOHN BRAAM, P.ENG. MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER

April 26, 2013
UD/jdc

Attach: Appendix "A" – Sources of Financing

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c.c. Roland Welker Rick Pedlow Justin Lawrence John Simon
 Tom Copeland Omega Contactors R.V. Anderson Associates