

## 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:** Contract Award: Tender No. 21-98  
Downtown Loop and Municipal Infrastructure Improvements  
Phase 2

**Date:** November 23, 2021

## Recommendation

That on the recommendation of the Deputy City Manager, Environment & Infrastructure, the following actions **BE TAKEN** with respect to the award of contracts for the Downtown Loop and Municipal Infrastructure Improvements Phase 2 Project:

- (a) the bid submitted by J-AAR Excavating Limited at its tendered price of \$17,170,499.96, excluding HST, for the Downtown Loop and Municipal Infrastructure Improvements Phase 2 Project, **BE ACCEPTED**; it being noted that the bid submitted by J-AAR Excavating Limited was the lowest of 3 bids received and meets the City's specifications and requirements in all areas;
- (b) Dillon Consulting Limited **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 \$1,532,614.00, 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 administrative acts that are necessary in connection with this project;
- (e) 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 21-98); 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

This report recommends award of a tender to a contractor, and continuation of consulting services, for construction services for the Downtown Loop and Municipal Infrastructure Improvements Phase 2 project, which will reconstruct Ridout Street North from just south of King Street to just north of Fullarton Street, and Queens Avenue from just west of Ridout Street North to Wellington Street. Figure 1 below depicts the approximate limits of the works.



**Figure 1: Approximate Limits of Downtown Loop Phase 2 Project**

### Context

On March 20, 2019, a public participation meeting was held to provide background information to aid Council in selecting projects to submit an application for provincial and federal funding through the Public Transit Infrastructure Stream (PTIS) program. On March 26, 2019, Council approved the submission of funding applications for ten transit and transit supportive projects. All ten projects were approved under the PTIS program, including the Downtown Loop.

On June 25, 2019, the Province pledged \$103.2 million through the PTIS program to the City of London for the ten projects. On August 23, 2019, the Federal government announced \$123.8 million for the same projects under the PTIS program. On October 10, 2019, the City of London received a letter from the Ontario Ministry of Transportation confirming financial commitment for the ten projects under the PTIS program.

The Downtown Loop will remove buses from mixed traffic into dedicated transit lanes and maintain general lanes of traffic. The goal is to increase transit frequency and reliability while also improving traffic capacity. Approximately 51,000 people travel to the Downtown core every day for work, and roughly 11,800 people call the Downtown home. Today there is, on average, a bus every 90 seconds running along the Downtown Loop.

In addition to being a planned Rapid Transit corridor, the Downtown Loop contains aging municipal infrastructure. There is a need to separate sanitary and storm sewers in select areas, and update water and private utility services to support infrastructure renewal, population growth, redevelopment and revitalization in the city core. These significant and challenging municipal infrastructure lifecycle replacements will be coordinated as part of this overall assignment that covers approximately two (2) kilometers of roadway in the Downtown.

### Linkage to the Corporate Strategic Plan

The following report supports the Strategic Plan through the strategic focus area of “Building a Sustainable City” by implementing and enhancing safe and convenient mobility choices for transit riders, automobile users, pedestrians, and cyclists.

This report also supports the Strategic Plan through the strategic focus area of “Growing Our Economy” by supporting revitalization of London’s downtown and urban areas.

# Analysis

## 1.0 Background Information

### 1.1 Previous Reports Related to this Matter

- Civic Works Committee – June 19, 2012 – London 2030 Transportation Master Plan;
- Civic Works Committee – July 21, 2014 – Rapid Transit Corridors Environmental Assessment Study Appointment of Consulting Engineer;
- Strategic Priorities and Policy Committee – July 24, 2017 – Rapid Transit Master Plan and Business Case;
- Strategic Priorities and Policy Committee – April 23, 2018 – Bus Rapid Transit Environmental Assessment Initiative;
- Civic Works Committee – March 14, 2018 – The History of Rapid Transit;
- Strategic Priorities and Policy Committee – March 25, 2018 – Investing in Canada Infrastructure Program - Public Transit Stream Transportation Projects for Submission;
- Strategic Priorities and Policy Committee – March 25, 2019 – Investing in Canada Infrastructure Program, Public Transit Stream, Transportation Projects for Submission;
- Strategic Priorities and Policy Committee – October 28, 2019 – Investing in Canada Infrastructure Program, Public Transit Infrastructure Stream, Approved Projects;
- Civic Works Committee – March 14, 2019 – London’s Rapid Transit Initiative; and
- Civic Works Committee – January 7, 2020 – Downtown Loop and Municipal Infrastructure Improvements Appointment of Consulting Engineer
- Civic Works Committee – August 11, 2020 – East London Link Transit and Municipal Infrastructure Improvements – Appointment of Consulting Engineer
- Civic Works Committee – August 11, 2020 – Wellington Gateway Transit and Municipal Infrastructure Improvements – Appointment of Consulting Engineer
- Civic Works Committee – February 9, 2021 – Downtown Loop and Municipal Infrastructure Improvements Phase 1

## 2.0 Discussion and Considerations

### 2.1 Existing Conditions

With the recent construction of Dundas Place, London’s first flex street, all east-west buses in the core have already been re-routed to operate along the proposed Downtown Loop. This loop frames Dundas Place, circling buses along Queens Avenue, King Street, Ridout Street North and Wellington Street.

Constructing the Downtown Loop will formalize the transit operations already in place, improving capacity in general traffic lanes by keeping buses in transit lanes. While rebuilding the roads, the project will address necessary underground work, including replacing aging sewers and watermains in addition to revitalizing approximately two (2) kilometers of roadway surrounding Dundas Place. The municipal underground works within this project have been identified as high priority due to the age, condition, and associated risk of failure of the infrastructure.

Currently under construction is Phase 1 of the Downtown Loop which is reconstructing King Street from Ridout Street North to Wellington Street, implementing the first phase of the Downtown Loop project and rapid transit infrastructure. This project is projected to finish construction in 2021 with only surface/landscaping and deficiency works required in 2022.

## 2.2 Project Description

This is a large and complex project that involves significant reconstruction of Ridout Street North from just south of King Street to just north of Fullarton Street, and Queens Avenue from just west of Ridout Street North to Wellington Street. The reconstruction will include the following improvements:

- Full road reconstruction to incorporate curbside transit only lanes, including new asphalt, boulevard enhancements, curb and gutter and sidewalks;
- Left-turn transit signal priority to improve traffic and safety;
- The addition of new Rapid Transit stops on Queens Avenue at Ridout Street North and east of Clarence Street;
- Implementation of cycling infrastructure on Ridout Street North;
- New street lights and traffic signal upgrades;
- Repair and replacement of aging watermain, storm and sanitary sewers including private drain connections;
- Pre-qualified contractor undertaking trenchless replacement of large aging sanitary sewer on Ridout Street North; and
- Hydro and other private utility improvements.

## 1.3 Construction Considerations

Mitigation of social impacts is a priority for this project, and to minimize the construction impacts on local businesses, residents and the public, it is proposed to undertake the work in the following stages:

- Stage 1 – Ridout Street North, from King Street to Fullarton Street
- Stage 2 – Queens Avenue, from Ridout Street North to Richmond Street
- Stage 3 – Queens Avenue, from Richmond Street to Wellington Street.

The construction will be further subdivided into sub-stages in order to manage traffic, transit and property access during construction. Due to the large volume of work to be completed in a single construction season, multiple sub-stages may have to be constructed at the same time.

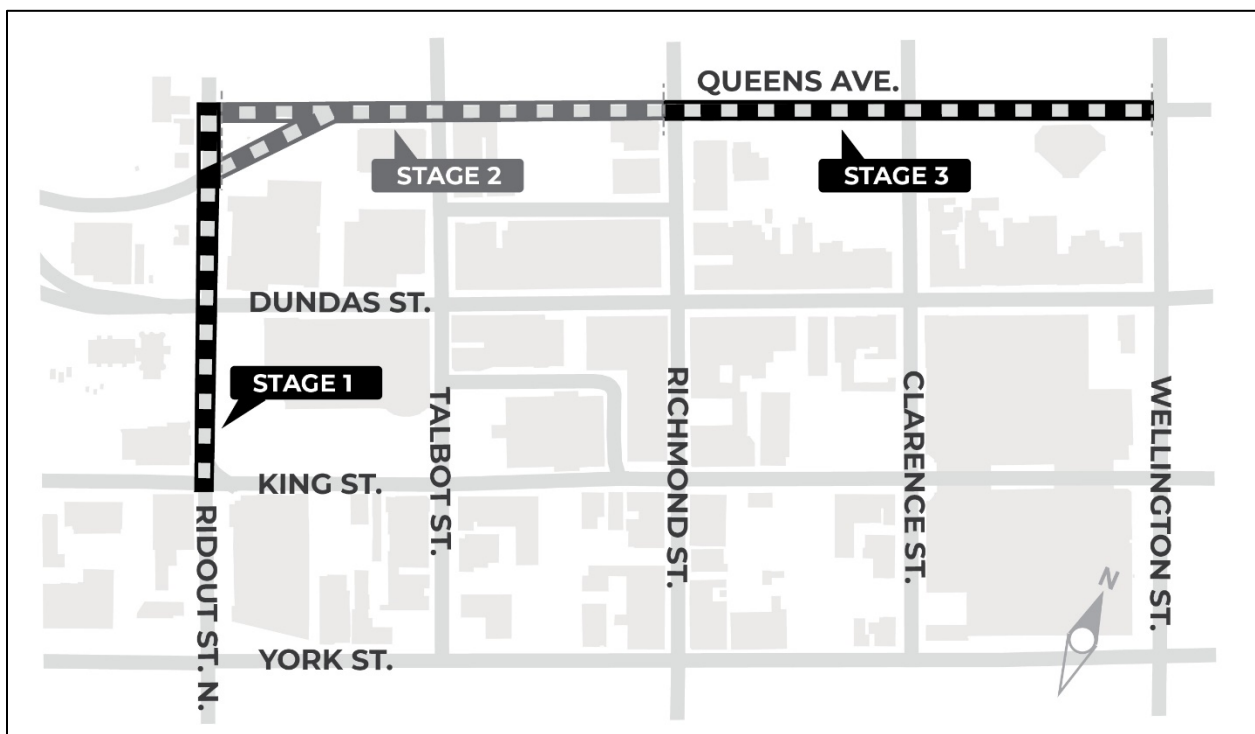


Figure 2: Downtown Loop Phase 2 Construction Staging

Temporary road closures are anticipated at the following locations:

- Richmond Street and Queens Avenue intersection (up to six weeks)
- Talbot Street and Queens Avenue intersection (up to six weeks)
- Queens Avenue between Talbot Street and Richmond Street
- Ridout Street between Queens Avenue and Fullarton Street

In other areas of the project, one lane of traffic will be maintained to provide access to businesses and residents. Pedestrian access through the project area will be maintained at all times.

Transit service operating on Queens Avenue will be detoured to Dufferin Avenue for the duration of the construction project, and the project team will coordinate with LTC for any other detours or impacts to transit service.

## 2.3 Public Engagement and Consultation

A Public Information Centre (PIC) was held on June 17, 2021. This engagement period was an opportunity for property owners, businesses and residents within and immediately bordering the project area to bring forward questions and concerns. It was also a chance for the general public to learn more about the project.

The project team also consulted directly with individual property owners and businesses throughout 2021, including the Ontario Court of Justice, Dominion Public Building, London Life, One London Place, among others. The proposed staging of construction was communicated to property owners and businesses to identify alternate business vehicle access and traffic impacts. The project team has also kept Downtown London apprised of plans throughout detailed design.

The City will continue to issue timely communications and traffic detour coordination to minimize potential impact to residents and businesses during construction. Some key ways to support this include:

- Devoting dedicated business relations resources to the project, to act as a liaison between the City and individual businesses.
- Maintaining access' to buildings and driveways throughout construction or providing alternative arrangements wherever needed.
- Ensuring Londoners know downtown is open for business during construction through targeted, strategic marketing.

## 3.0 Financial Impact/Considerations

### 3.1 Tender Summary

Tenders for the Downtown Loop and Municipal Infrastructure Improvements Phase 2 Project were opened on October 29, 2021. Three contractors submitted tender prices as listed below, excluding HST.

Contractor	Company Name	Tender Price Submitted
1	J-AAR Excavating Limited	\$17,170,499.96
2	Bre-Ex Construction Inc	\$17,665,125.60
3	L82 Construction Ltd	\$25,194,586.08

All tenders have been checked by the Construction & Infrastructure Services Department and Dillon Consulting Limited. No mathematical errors were found, and the results of the tendering process indicate a competitive process. The tender was advertised early and for an extended period of time to account for the larger scope of work. The tender estimate just prior to tender opening was \$17,200,000.00 excluding HST. This tender estimate also includes values for coordinated City and external utility

works, see Source of Financing Appendix A for cost sharing details. All tenders include a contingency allowance of \$1,200,000.

### **3.2 Consulting Services**

AECOM/Dillon Consulting Limited was awarded the detailed design of the Downtown Loop and Infrastructure Improvements Project by Council on January 7, 2020 as a partnership. The Downtown Loop in terms of consultant lead was broken up into three phases as follows including who was to lead that respective section.

1. Phase 1 – King Street from Ridout Street North to Wellington Street – AECOM.
2. Phase 2 – Ridout Street North from King Street to Fullarton Street, and Queens Avenue from Ridout Street North to Wellington Street – Dillon Consulting Limited.
3. Phase 3 – Wellington Street from Queens Avenue to just north of York Street – AECOM.

Due to the consultant's knowledge and performance on the detailed design of Phase 2, a proposal for contract administration was requested and the scope and fees were negotiated with Dillon Consulting Limited.

Staff have reviewed the fee submission for construction administration of this project, 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, noting that this assignment is relatively greater in length and incorporates unique transit infrastructure elements including two (2) transit station platforms and related electrical and Information Technology Systems (ITS) support. It is also anticipated that greater consultant effort will be required to progress construction due to a number a site-specific issues including parking access, multiple stages and sub-stages, and took into consideration lessons learned through Phase 1 construction. Fees also include a provision to support proper management of on-site and excess construction soils through testing, tracking and registration.

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.

The overarching Downtown Loop consulting assignment agreement is between AECOM and the City, with Dillon Consulting Limited acting as a sub-consultant under AECOM. As Dillon Consulting Limited is a pre-approved firm and the consulting firm that "satisfactorily partially completed a project", award of this work directly to Dillon is consistent with the requirements under Section 15 of the Procurement of Goods and Services Policy.

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, and complete this project for a fee estimate of \$1,532,614.00, excluding HST. These fees are associated with the construction contract administration and resident supervision 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 \$5,727,549 excluding HST, between 2020 and 2021.

### **3.3 Operating Budget Impacts**

This phase of the project will revitalize Ridout Street North and Queens Avenue within the proposed right-of-way resulting in marginal annual operating budget impacts to transportation, sewer, water and parks operations. The operational budget impacts for

the roadway maintenance portion for each phase of Downtown Loop will be captured through annual assessment growth cases.

The shelter procurement and installation will follow a separate procurement process with only Rapid Transit stop base platforms to be constructed under this contract. It is anticipated that the standard red treatment dedicated bus lanes will be applied to the full Downtown Loop will be rolled out in parallel with the Downtown Loop Phase 3 construction contract. Once more detailed information is available on the operational budget impacts of these two items, subsequent phases of the Rapid Transit projects will report the operational costs for RT infrastructure elements within each contract.

## **Conclusion**

Civic Administration has reviewed the tender bids and recommends J-AAR Excavating Limited be awarded the construction contract for Downtown Loop and Infrastructure Improvements Phase 2 Project at the submitted tender price of \$17,170,499.96.

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 and resident supervision services, as it is in the best financial and technical interests of the City. The contract administration assignment is valued at an upset amount of \$1,532,614.00 (including contingency, excluding HST).

**Prepared by:** Ted Koza, P.Eng., Division Manager, Major Projects

**Submitted by:** Jennie Dann, P.Eng., Director, Construction & Infrastructure Services

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

Appendix A – Sources of Financing report