

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. 21-117
East London Link and Municipal Infrastructure Improvements
Phase 1

Date: February 1, 2022

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 East London Link and Municipal Infrastructure Improvements Phase 1 project:

- (a) the bid submitted by Bre-Ex Construction Inc. at its tendered price of \$20,887,870.36 excluding HST, for the East London Link and Municipal Infrastructure Improvements Phase 1 project, **BE ACCEPTED**; it being noted that the bid submitted by Bre-Ex Construction Inc. was the lowest of 5 bids received and meets the City's specifications and requirements in all areas;
- (b) AECOM Canada Ltd. **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 \$1,565,255.00, 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 21-117); 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 inspection and contract administration for the East London Link and Municipal Infrastructure Improvements Phase 1 project, which will reconstruct King Street from Wellington Street to Lyle Street. Figure 1 below depicts the approximate limits of the works.



Figure 1: Approximate Limits of East London Link Phase 1 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 East London Link.

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 East London Link will look to convert an existing eastbound one-way corridor to two-way through implementation of eastbound and westbound transit and repurposing and/or widening the corridor to provide the necessary general traffic facilities eastbound only.

In addition to being a planned rapid transit corridor, the East London Link 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, re-development and revitalization along rapid transit corridors. These significant and challenging municipal infrastructure lifecycle replacements will be coordinated as part of this overall assignment that covers approximately seven (7) kilometers of roadway connecting to the Downtown Loop and through eastern London connecting to a proposed transit hub located internally at Fanshawe College.

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;
- 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; and
- Civic Works Committee – November 23, 2021 – Downtown Loop and Municipal Infrastructure Improvements Phase 2.

2.0 Discussion and Considerations

2.1 Existing Conditions

The East London Link corridor is a mixed-use corridor, with existing land uses including historic businesses, residential neighbourhoods, and heavy industrial uses. The corridor is anchored by Downtown London at the western end, the Western Fairgrounds between Adelaide Street North and Highbury Avenue North, and Fanshawe College at the eastern end. Through Old East Village, King Street is closely integrated with land uses along Dundas Street given the close proximity of these streets. Local bus routes are currently focused on Dundas Street east of Wellington Street.

Constructing the East London Link will repurpose and/or widen existing traffic lanes to introduce rapid transit operations along King Street, Ontario Street, Dundas Street, Highbury Avenue and Oxford Street. While rebuilding the roads, the project will address necessary underground work, including replacing aging sewers and watermains in addition to revitalizing approximately seven (7) kilometers of roadway in downtown and east London. 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.

Phase 1 of the Downtown Loop reconstructed King Street from Ridout Street North to Wellington Street, and was constructed in 2021, implementing the first phase of the

Downtown Loop project and rapid transit infrastructure. Downtown Loop Phase 1 reopened to traffic in December of 2021 with minor carryover works required in the spring of 2022.

Phase 2 of the Downtown Loop has been awarded by Council and is anticipated to start construction in the spring of 2022 which will reconstruct Ridout Street North from King Street to Fullarton Street, and Queens Avenue from Ridout Street North to Wellington Street.

2.2 Project Description

This is a large and complex project that involves significant reconstruction of King Street from Wellington Street to Lyle Street. The reconstruction will include the following improvements:

- Full road reconstruction to incorporate rapid transit dedicated lanes, including new asphalt, boulevard enhancements, curb and gutter and sidewalks. Along King Street, a contraflow bus lane will be added that will introduce westbound bus traffic adjacent to the existing easterly one-way traffic operations;
- Curbside bus-only lanes with priority signals to improve traffic and safety;
- The addition of new rapid transit stops on King Street at Colborne Street, Burwell Street, and Adelaide Street North;
- New street lights and traffic signal upgrades;
- Repair and replacement of aging watermain, storm and sanitary sewers including private drain connections; and
- Hydro and other private utility improvements.

2.3 Domestic Action Plan

One of the municipal actions identified in the City of London’s Domestic Action Plan (DAP) for Phosphorus Reduction is combined sewer replacement. The DAP states, “The City of London will accelerate plans to separate combined sewers, including the design and construction of necessary stormwater outlets, with the target of separating 80 per cent (17 kilometres) of its combined sewer system by 2025.”

This target for combined sewer replacement is contingent on federal and provincial funding. The following table provides the length of combined sewer replacement achieved for this project in relation to the DAP targets.

2016 – 2025 Combined Sewer DAP Target (km)	Prior DAP Combined Sewer Removed/Separated (km)	This project – Combined Sewer Removed/Separated (km)	Remaining Combined Sewer (km) to achieve target
17 km	7.6 km	0.5 km	8.9 km

This project achieves the removal of approximately 500m of combined sewer, as the City continues to work towards achieving its DAP targets.

2.4 Construction Considerations

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

- Stage 1 – King Street – Wellington Street to Colborne Street.
- Stage 2 – King Street – Colborne Street to Maitland Street.
- Stage 3 – King Street – Maitland Street to William Street.
- Stage 4 – King Street – William Street to Lyle Street.

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

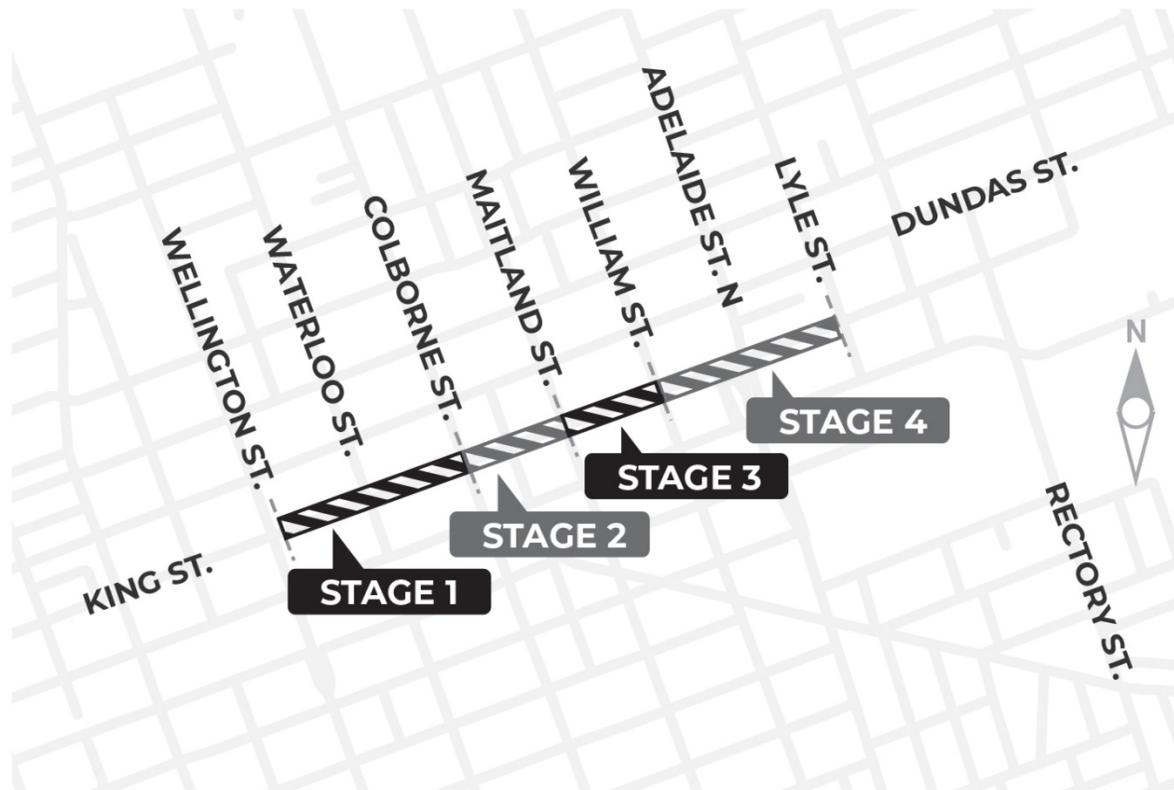


Figure 2: East London Link Phase 1 Construction Staging

Temporary road closures will be required for each stage of work, however, local access to all properties will be maintained at all times. Temporary access roads and use of alternative accesses to properties may be required and will be coordinated directly with property owners. Pedestrian access through the project area will be maintained at all times.

York Street will serve as the primary detour route during construction, and temporary detour signage will be installed to assist motorists navigating the area. LTC operates one route (#7) on King Street between Wellington Street and Waterloo Street, and the impacted portion of this transit route will be detoured to York Street.

Work in the vicinity of schools (H.B. Beal Secondary and St Mary Choir Catholic Elementary) is planned to be completed in the summer months to minimize impacts to school operations.

The City of London will be closely coordinating this project and its traffic impacts with other construction projects planned for 2022 and 2023, including the Downtown Loop Phase 2 project and Adelaide Grade Separation project.

2.5 Public Engagement and Consultation

A Public Information Centre (PIC) was held on November 4, 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 Double Tree by Hilton, RBC London Place, St. Mary's Choir School, RCCG-Grace Assembly, both Donohue and Logan Funeral Homes, Salvation Army, H.B. Beal School, among many others. The proposed staging of

construction was communicated as best possible to property owners and businesses to identify alternate business vehicle access and traffic impacts.

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; and
- Ensuring Londoners know the area is open for business during construction through targeted, strategic marketing.

3.0 Financial Impact/Considerations

3.1 Tender Summary

Tenders for the East London Link and Infrastructure Improvements Phase 1 project were opened on January 14, 2022. Five contractors submitted tender prices as listed below, excluding HST.

Contractor	Company Name	Tender Price Submitted
1	Bre-Ex Construction Inc.	\$20,887,870.36
2	L82 Construction Ltd.	\$20,982,740.69
3	CH Excavating (2013)	\$22,252,857.17
4	J-AAR Excavating Limited	\$22,497,842.42
5	Amico Infrastructures Inc.	\$34,602,950.00

All tenders have been checked by the Construction & Infrastructure Services Department and AECOM Canada Ltd. 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, with an advanced tender posting notice completed. The tender estimate just prior to tender opening was \$22,050,911.70 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 \$2,000,000.

3.2 Consulting Services

Dillon Consulting Limited/AECOM were awarded the detailed design of the East London Link and Infrastructure Improvements project by Council on August 25, 2020, as a partnership. The East London Link in terms of Consultant lead was broken up into four design phases as follows including who was to lead that respective section:

1. Phase 1 – King Street from Wellington Street to Lyle Street – AECOM.
2. Phase 2 – King Street from Lyle Street to Ontario Street, Ontario Street from King Street to Dundas Street, and Dundas Street from Ontario Street to Egerton Street – AGM (sub-consultant under Dillon Consulting Limited).
3. Phase 3 – Dundas Street from Egerton to Highbury Avenue North, Highbury Avenue North from Dundas Street to Oxford Street East – Dillon.
4. Phase 4 – Oxford Street East from Highbury Avenue North to Second Street, including an internal transit hub at Fanshawe College – AECOM.

Due to the Consultant's knowledge and positive performance on the detailed design, a proposal for contract administration was requested and the scope of fees were negotiated.

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 rapid transit and infrastructure renewal program assignments of similar scope, noting that this assignment is relatively greater in length and incorporates unique transit infrastructure elements including four (4) 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 of site-specific issues, including property/parking access, multiple simultaneous construction work areas, extended working hours, etc. Fees also include a provision to support proper management of on-site and excess soils as required under the new Ontario Regulation 406/19.

The continued use of AECOM Canada Ltd. on this project for resident inspection and contract 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 East London Link consulting assignment agreement is between Dillon Consulting Limited and the City, with AECOM Canada Ltd. acting as a sub-consultant under Dillon Consulting Limited. As AECOM Canada Ltd. is a pre-approved firm and the consulting firm that “satisfactorily partially completed a project”, award of this work directly to AECOM Canada Ltd. is consistent with the requirements under Section 15 of the Procurements 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 AECOM Canada Ltd. be authorized to carry out the remainder of engineering services, as construction administrators, and complete this project for a fee estimate of \$1,565,255.00, excluding HST. These fees are associated with the construction contract administration and resident inspection services to ensure that the City receives the product specified and associated value. The approval of this work will bring the total engineering services to date for the entire East London Link project to \$7,679,108.00 excluding HST, as of August 2020.

3.3 Operating Budget Impacts

This phase of the project will revitalize King Street within the proposed right-of-way resulting in marginal annual operating budget impacts to transportation, and sewer operations. No water or parks operational cost increases are expected. The following table summarizes anticipated additional increases from East London Link Phase 1:

SERVICE AREA	RATIONALE	ANNUAL OPERATIONAL COST INCREASE
Sewer Operations	Cleaning and flushing of additional sewers, manholes, and catchbasins.	\$750
Transportation Operations	Additional lane km summer and winter maintenance	\$18,424

The new bus shelters for the East London Link will follow a separate procurement process which is anticipated for 2022, providing more detailed information on the operational budget impact of the shelters.

Conclusion

Civic Administration has reviewed the tender bids and recommends Bre-Ex Construction Inc. be awarded the construction contract for East London Link and Municipal Infrastructure Improvements Phase 1 project at the submitted tender price of \$20,887,870.36.

AECOM Canada Ltd. 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 \$1,565,255.00, 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