

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 Price Increase: 2021 Water / Wastewater
Infrastructure Renewal Report

Date: March 29, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Environment and Infrastructure, the following actions **BE TAKEN** with respect to the English Street and Lorne Avenue Reconstruction project:

- a) Lorne Avenue Reconstruction (Tender T21-16) contract value with 2376378 Ontario Corp (CH Excavating (2013)) **BE INCREASED** by \$675,000.00 to \$4,448,382.95 (excluding HST) in accordance with Section 20.3 (e) of the Procurement of Goods and Services Policy;
- b) the financing for this project **BE APPROVED** as set out in the Sources of Financing Report attached hereto as Appendix 'A';
- c) the Civic Administration **BE AUTHORIZED** to undertake all the administrative acts that are necessary in connection with this project; and,
- d) the Mayor and City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

Executive Summary

The Renew London Infrastructure Construction Program manages the sustainability of city infrastructure through a combination of road, bridge, bicycle, sewer, water, sidewalk and intersection improvements. The program addresses existing lifecycle needs, system improvements, and growth-related priorities.

The English Street and Lorne Avenue Reconstruction contract requires an amendment due to additional groundwater found on English Street. The City's Procurement of Goods and Services Policy requires Council approval for this amendment.

Linkage to the Corporate Strategic Plan

The following report supports the Strategic Plan through the strategic focus areas of Building a Sustainable City, Growing Our Economy and Leading in Public Service by helping to manage the infrastructure gap, improving our water, wastewater and stormwater infrastructure and services, and enhancing safety for all road users.

Renew London is committed to delivering excellent customer service and providing great customer experiences to residents, businesses, and visitors by communicating projects in advance and coordinating all work to help build and deliver efficient infrastructure and minimize delays and inconveniences to the public during construction.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

Civic Works Committee – March 30, 2021 – Contract Award: Tender RFT21-16 – 2021 Infrastructure Renewal Program – English Street and Lorne Avenue Reconstruction

2.0 Discussion and Considerations

2.1 Discussion

In April 2021 the City began construction on English Street and Lorne Street to replace sewers and watermain, along with surface works including sidewalk, curb, and asphalt replacement. Original hydrogeological studies completed in advance of construction indicated that the amount of underground water that needed to be removed from the necessary excavations, a process referred to as dewatering, was minimal.

In July 2021, after attempting to dewater the excavations it became apparent to the project team that the volume of underground water was in excess of what was permitted (water takings in Ontario are governed by the *Ontario Water Resources Act (OWRA)*). By law, a permit is required in order to take 50,000+ litres of water in a day from the environment). Further testing was completed and the City is now in the process of receiving a revised permit from the Ministry.

The work was postponed in order for the project team to develop an appropriate dewatering plan to complete this project. It was determined by our hydrogeological sub-consultant (EXP Services Inc.) that an entirely different methodology of dewatering would be required to address the large volumes of water found on site. The initial permit to take water allowed for 400,000 L/day, and a new estimate for of necessary dewatering rates is 8,900,000 L/day. This large discrepancy is due to the methodology that was used to build the original sewer. Sub-drains are present along either side of the existing sewer, essentially draining water from a significant area into the new excavations. Because these sub-drains were not included in the record drawings from 1897 it was not possible to identify the existence of these existing sub-drains prior to the start of construction.

It has been determined that this new methodology to manage dewatering will require additional funds in excess of the project contingency of \$375,000. The contractor, CH Excavating, demonstrated resilience in efforts to address the ground water issue and has worked cooperatively with the team to confirm the methodology to complete the work in 2022.

3.0 Financial Impact/Considerations

English Street and Lorne Avenue Reconstruction Contract

An additional \$675,000.00 is required to cover the additional costs for dewatering the site and to complete the remaining work in 2022. This funding is available in the approved water, sanitary, and stormwater capital budgets per the Source of Financing attached as Appendix A.

Conclusion

In accordance with Section 20.3 (e) of the Procurement of Goods and Services Policy, it is recommended that the contract value be amended for English Street and Lorne Avenue Reconstruction. The project requires additional funds to address unforeseen dewatering costs.

Prepared by: Ugo DeCandido, P.Eng., Division Manager,
Construction Administration

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

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

Attach: Appendix 'A' – Sources of Financing, English Street and Lorne Avenue
Reconstruction (RFT21-16)

cc: Aaron Rozental, Division Manager, Water Engineering
Ashley Rammeloo, Division Manager, Sewer Engineering
Garfield Dales, Division Manager, Transportation Engineering
Gary McDonald, Budget Analyst, Finance & Corporate Services