

Report to Civic Works Committee

To: Chair and Members
Civic Works Committee

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

Subject: Consultant Design Fee Extension Award Labatt Sanitary Siphon

Date: August 23, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Environment and Infrastructure, the following actions **BE TAKEN** with respect to the award of additional consulting fees to R.V. Anderson Associates Limited for the Labatt Sanitary Siphon Infrastructure Renewal Project:

- (a) The engineering design fees for R.V. Anderson Associates Limited (RVA) **BE INCREASED** by \$297,474.00 in accordance with the estimates, on file, to an upset amount of \$506,287.00, excluding HST, in accordance with Section 15.2 (g) 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

Purpose

This report recommends the extension of detailed design engineering services for the Labatt Sanitary Siphon Infrastructure Renewal Project. The project will replace the Labatt Sanitary Siphon under the Thames River from Ivey Park to Mitchel A. Baran Park. This project is proposed for construction as part of the 2023 Infrastructure Renewal Program.

Context

The Labatt Sanitary Siphon has been identified as a high priority in the Infrastructure Renewal Program due to the poor condition of the municipal infrastructure. The sewer was constructed in 1935 and has reached the end of its useful life. The project will include replacement of the existing Labatt Sanitary Siphon with a new siphon and related trunk and local sanitary sewers and appurtenances. RVA was awarded the design services for Labatt Sanitary Siphon at Council on October 27, 2020.

Linkage to the Corporate Strategic Plan

This report supports the Strategic Plan in the following areas:

- Building a Sustainable City:

- London's infrastructure is built, maintained, and operated to meet the long-term needs of our community.

Analysis

1.0 Background Information

1.1 Previous Reports Related to this Matter

Civic Works Committee – October 20, 2020 – Appointment of Consulting Engineers Infrastructure Renewal Program, Agenda Item #2.3

2.0 Discussion and Considerations

2.1 Project Description

The Labatt Sanitary Siphon Infrastructure Renewal Project includes the following improvements:

- Installation of a new sanitary sewer siphon under the forks of the Thames River;
- Realignment of existing trunk and local sanitary sewers to connect to the new sanitary sewer siphon in Ivey and Mitchell A. Baran Parks;
- Restoration of parks.

Infrastructure replacement needs have been coordinated within the Environment and Infrastructure Department for efficient use of funds during construction. The project budget has been included in the approved 2022 Wastewater Capital Works Budget.

3.0 Financial Impact/Considerations

3.1 Consulting Services

R.V. Anderson Associates Limited (RVA) was previously awarded the detailed design services for the reconstruction of the Labatt Sanitary Siphon by Council on October 27, 2020. This request to increase the detailed design engineering fees for RVA is based on the following factors:

- The stage 2 archaeological assessment completed within the original assignment has recommended that a stage 3 archaeological assessment be completed with the possible requirement for a stage 4 archaeological assessment. This submission includes \$61,155 and \$136,949 for stage 3 and stage 4 archaeological assessments respectively. This submission also includes a \$34,651 allowance for Indigenous participation in the above noted stage 3 and stage 4 archaeological assessments for a total of \$232,755. It is noted that the stage 4 archaeological assessment fees and associated stage 3 and 4 Indigenous participation allowance are provisional and will be used only if required.
- Additional geotechnical work required to facilitate detailed design which was not included in the original detailed design submission (\$40,617).
- Additional design fees related to environmental review and permitting which were not identified in the original detailed design submission (\$24,102).

RVA has submitted a scope change for an additional \$297,474.00 for all tasks noted above. Staff have reviewed the fee submission, including the time allocated to each project task, along with hourly rates provided by each of the consultant's staff members and deemed it acceptable. The continued use of RVA on this project for the amended detailed design services 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.

In accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, Civic Administration is recommending that RVA's fees to carry out the detailed design services be increased by \$297,474.00 to an upset limit of \$506,287.00.

Conclusion

RVA 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 further detail design services services, as it is in the best financial and technical interests of the City.

Prepared by: Kyle Chambers P.Eng.
Acting Division Manager, Sewer Engineering

Submitted by: Ashley M. Rammeloo, MMSc., P.Eng.
Director, Water, Wastewater, and Stormwater

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

CC: B. Sevier, A. Rozentals

Appendix 'A' – Sources of Financing Report

Appendix "A"

#22123

August 23, 2022
(Consulting Engineers Fee Increase)

Chair and Members
Civic Works Committee

RE: Consultant Design Fee Extension Award Labatt Sanitary Siphon
(Subledger WS22C001)
Capital Project ES241422 - Infrastructure Renewal Program - Sanitary Sewers
R.V. Anderson Associates Limited- \$506,287.00 (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 recommendation 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
Engineering	2,000,000	646,118	302,710	1,051,172
Construction	10,409,529	1,358,431	0	9,051,098
City Related Expenses	25,000	630	0	24,370
Total Expenditures	\$12,434,529	\$2,005,179	\$302,710	\$10,126,640

Sources of Financing

Capital Sewer Rates	7,934,529	0	57,889	7,876,640
Drawdown from Sewage Works Renewal Reserve Fund	2,250,000	0	0	2,250,000
Canada Community-Building Fund	2,250,000	2,005,179	244,821	0
Total Financing	\$12,434,529	\$2,005,179	\$302,710	\$10,126,640

Financial Note:

Contract Price	\$506,287
Less Amount previously approved by Council	208,813
Contract Price	297,474
Add: HST @13%	38,672
Total Contract Price Including Taxes	336,146
Less: HST Rebate	-33,436
Net Contract Price	\$302,710

Jason Davies
Manager of Financial Planning & Policy

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