

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: RFT-2022-311 Dedicated Locate Services Contract Award –
Irregular Result

Date: February 22, 2023

Recommendation

That, on the recommendation of the Deputy City Manager, Environment & Infrastructure, the following actions **BE TAKEN** with respect to Request for Tender RFT-2022-311 for Dedicated Locate Services:

- (a) The bid submitted by GTel Engineering of \$1,350,000 (excluding HST), to provide dedicated locate services for one (1) year as the initial term, and four (4) optional terms of one (1) year each, **BE ACCEPTED** in accordance with the Procurement of Goods and Services Policy, it being noted that the bid submitted by GTel Engineering was the only bid that met the technical criteria and the City's specifications and requirements;
- (b) Civic Administration **BE AUTHORIZED** to undertake all administrative acts that are necessary in connection with this purchase;
- (c) Approval herein **BE CONDITIONAL** upon the Corporation entering into a formal contract relating to the subject matter of this approval; and
- (d) The Mayor and City Clerk **BE AUTHORIZED** to execute any contract, statement, or other documents, if required, to give effect to these recommendations.

Executive Summary

The dedicated locate service supports City construction and public works projects by ensuring utility locates are provided optimally as needed. The superior dedicated locate service eliminates construction delays due to late locates and supports more flexible work plans which assists in controlling construction costs. Implementing the dedicated locator program administered by Ontario One Call requires appointing a qualified Dedicated Locate Service provider, which is the purpose of this report that recommends contract approval resulting from RFT-2022-311 for the provision of dedicated locator services for municipal construction and public works projects for 2023.

Linkage to the Corporate Strategic Plan

The following report supports the Strategic Plan through the strategic focus area of "Building a Sustainable City" by efficiently supporting municipal construction through the provision of a superior dedicate locate service.

Analysis

1.0 Background Information

1.1 Ontario Underground Infrastructure Notification System (One Call Act)

The *Ontario Underground Infrastructure Notification System Act, 2012, as amended* governs the notification process and the provision of utility locates for underground services in Ontario. All owners of underground infrastructure are required to provide

locates for their services for anyone who “breaks ground”. Under the normal locate process Ontario One Call notifies owners of buried utilities of the planned excavation enabling them to provide locates to protect their underground infrastructure from being damaged and to prevent injury to workers.

In April of 2022 the Act was amended to include a provision that permit project owners to hire their own dedicated locator to provide locates for their own construction projects on behalf of all utility owners. The dedicated locate program is administered by Ontario One Call and fully satisfies all legislative and regulatory requirements for the provision of locates of buried infrastructure.

The City intends to use this dedicated locate program on its 2023 construction and municipal works projects. Implementation requires appointing a dedicated locate service provider which is the subject of this report.

1.2 Context

Late locates have caused significant problems for the construction industry in recent years by interfering with project scheduling and limiting the ability of contractors to flex work plans as is often required due to equipment availability, weather delays, project change requests, and other challenges. The City’s contractors and operations crews can also be impacted by late locates, leading to direct and indirect costs associated with construction delays.

Locates for large projects can take weeks to complete due to their size and complexity. Even meeting the newly mandated locate response timelines through the traditional Ontario One Call service will not adequately satisfy the higher level of service needed by contractors on large construction projects due to the dynamic nature and high cost of construction. Project owners such as the City of London, are seeking ways of ensuring that construction and other public works projects are not unduly impacted by late locates. The Province has mandated the use of dedicated locators for all broadband projects in Ontario and now its use is expanding into other areas as the benefits of the service are being more widely recognized.

The main advantage of the dedicated locate program is that when locates are required by a contractor, instead of requesting locates through Ontario One Call and waiting for each utility owner to be notified, respond, and locate their utilities, a single dedicated locator can complete the locates on behalf of all utility owners without delay. The dedicated locate service is essentially an “on-call” locate service paid for by the project owner rather than the utility owners. A dedicated locator service provides flexible, just-in-time delivery of locates to support the City’s critical construction projects.

2.0 Discussion and Considerations

2.1 2022 Pilot Dedicated Locator Program

In 2022, in co-operation with the City’s contracted locate service provider, G-Tel Engineering, the City undertook a limited pilot dedicated locator program to test the viability of providing a dedicated locate service for the City’s major construction projects. The City’s test program was created prior to the model administered by Ontario One Call being available but was similar in operational nature and effect.

The trial program was deemed successful in that locates were completed on time for virtually every one of the City’s construction projects that received the dedicated locate service. In post construction debriefings, all of the City’s contractors that benefited from

the program were unanimous in their support for the program and have requested the City continue the program for all construction projects in the future.

2.2 2023 Dedicated Locator Program

For 2023, the City intends to utilize the Provincial dedicated locator program administered by Ontario One Call which has significant advantages over the pilot 2022 program the City used as the Provincial program simplifies the process and avoids certain contractual challenges that cropped up during the 2022 pilot program.

In order to implement the new program, the first step is to register a Dedicated Locator Regional Request Notice with Ontario One Call which requires the City hire a dedicated locate service provider, which is the purpose of RFT-2022-311.

3.0 Financial Impact/Considerations

3.1 Procurement Process

Following the public posting of Dedicated Locate Services RFT-2022-311, three bid submissions were received and reviewed for compliance to the mandatory technical requirements by the Environment and Infrastructure Department and Procurement Services. Two of the three submissions were disqualified because the bidders could not be approved by Ontario One Call for the provision of dedicated locate services which was a requirement of the tender. The remaining submission from G-Tel Engineering satisfied all technical requirements and their bid submission was accepted. Since only one submission could be considered this is an irregular bid.

As per Section 8.10 of the Procurement of Goods & Services Policy, the client Service Area, in conjunction with Procurement and Supply, shall submit a report to Committee and City Council and receive their approval for the award of a competitive bid greater than \$100,000 if the specifications of a competitive bid cannot be met by two or more suppliers.

This is a fee for service contract based on hourly and daily rates with a projected maximum cost of \$1,350,000 (excluding HST). The RFT bid submission represents the maximum (or upset limit) value assuming the service will be used for most of the construction and municipal works projects. However, the service will only be applied to projects that will benefit from the dedicated locate service the most so total cost is expected to be less.

3.2 Dedicated Locate Funding

The cost of this service will be invoiced directly to each project using the dedicated locates option to be accommodated within existing approved capital and operating budgets.

Conclusion

The dedicated locate service improves the delivery of mandatory locate services on City construction and public works projects by eliminating construction delays caused by late locates and by supporting more efficient and flexible work plans which help to control construction costs. Implementing the Ontario One Call supported dedicated locator program requires appointing a qualified dedicated locate service provider. It is therefore recommended that G-Tel Engineering be awarded the contract to provide dedicated locator services for 2023 as per the terms of RFT-2022-311.

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

Cc: Steve Mollon, Senior Manager, Procurement & Supply
John Millson, Sr. Financial Business Administrator