

## 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 RFT-2023-015 Fanshawe Park Road  
& Richmond Street Intersection Improvements

**Date:** April 12, 2023

## Recommendation

That, on the recommendation of the Deputy City Manager, Environment and Infrastructure, the following actions **BE TAKEN** with respect to the Fanshawe Park Road and Richmond Street intersection improvements project (Tender RFT-2023-015):

- (a) The bid submitted by L82 Construction Ltd, at its tendered price of \$14,704,685.58, excluding HST, **BE ACCEPTED**; it being noted that the bid submitted by L82 Construction Ltd was the lowest of five bids received and meets the City's specifications and requirements;
- (b) Dillon Consulting Limited, **BE AUTHORIZED** to complete the contract administration and construction inspection for this project as per the Dillon Consulting Limited work plan, on file, at an upset amount of \$1,203,357.50, excluding HST;
- (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 the administrative acts that are necessary in connection with this project;
- (e) the approvals given, herein, **BE CONDITIONAL** upon the Corporation entering into a formal contract with the consultant for the work;
- (f) the approvals given, herein, **BE CONDITIONAL** upon the Corporation entering into a formal contract for the material to be supplied and the work to be done relating to this project (RFT-2023-015); and,
- (g) the Mayor and the City Clerk **BE AUTHORIZED** to execute any contract or other documents, if required, to give effect to these recommendations.

## Linkage to the Corporate Strategic Plan

Municipal Council's 2019-2023 Strategic Plan identifies "Building a Sustainable City" and "Growing our Economy" as strategic areas of focus. The following report supports the Strategic Plan by implementing and enhancing safe and convenient mobility choices for pedestrians, cyclists, transit, and automobile users.

## Analysis

### 1.0 Background Information

#### 1.1 Previous Reports Related to this Matter

- June 19, 2012 - Civic Works Committee – London 2030 Transportation Master Plan
- June 23, 2014 – Civic Works Committee – Approval of 2014 Development Charges By-Law and Development Charges Background Study
- March 23, 2015 – Civic Works Committee – Environmental Assessment Study

#### Appointment of Consulting Engineer

- September 7, 2016 - Civic Works Committee - London ON Bikes Cycling Master Plan
- September 25, 2018 – Civic Works Committee – Fanshawe Park Road and Richmond Intersection Improvements – Environmental Assessment Study Report
- April 16, 2019 – Civic Works Committee – Fanshawe Park Road and Richmond Street Intersection Detailed Design and Tendering Appointment of Consulting Engineer
- May 21, 2019 – Strategic Priorities and Policy Committee – Approval of 2019 Development Charges By-Law and DC Background Study
- October 20, 2020 – Strategic Priorities and Policy Committee – 2021 Development Charges Update Covering Report and Proposed By-law
- August 31, 2021 – Civic Works Committee – Outcome of Climate Lens Screening Applied to Major Transportation Projects
- November 2, 2021 – Civic Works Committee – Initiation of the Mobility Master Plan Development

## **1.2 Purpose**

This report recommends award of the construction tender, RFT-2023-015 for the Fanshawe Park Road and Richmond Street intersection improvements project to L82 Construction Ltd. It also recommends that the existing engineering agreement with Dillon Consulting Limited be extended to include contract administration and construction supervision required for the project.

## **1.3 Background**

The continued development and growth in the City of London requires transportation infrastructure improvements to support sustainable mobility options and the movement of goods and services.

Within the project area, Fanshawe Park Road and the north leg of Richmond Street is classified as a Main Street and the south leg of Richmond Street is classified as a Rapid Transit Boulevard, with the intersection forming an important node in London's arterial road network. The intersection connects the Masonville, Stoneybrook, Sunningdale, and Uplands Planning Districts to London's downtown. It also provides access to regional facilities including Western University and the Masonville Mall.

Improvements to the Fanshawe Park Road and Richmond Street intersection was identified as a priority in the Smart Moves 2030 Transportation Master Plan (TMP) and the Transportation Development Charge Background Study.

An Environmental Assessment (EA) for the Fanshawe Park Road and Richmond Street intersection was completed and the Environmental Study Report (ESR) was approved by Council in September 2018. The recommended improvements for the intersection are intended to accommodate the existing and future travel demands associated with planned development, provide enhanced cycling and pedestrian facilities, and be compatible with the "Transit Village", "Main Street", and "Rapid Transit Boulevard" designations of the London Plan.

The Fanshawe Park Road and Richmond Street intersection improvements project was recently reviewed using the Climate Emergency Screening Tool. The screening tool review endorsed a complete streets approach for this intersection in the rapidly developing area of north London, which experiences high volumes of vehicle traffic, cyclists, and pedestrian activity. The intersection requires upgrades to accommodate

existing and future travel demands and help improve safety. The complete streets approach is recommended as a cost-effective approach to enable sustainable mobility choices.

The limits of construction extend along Richmond Street from Jacksway Crescent to the north leg of North Centre Road, and on Fanshawe Park Road East between the east and west legs of North Centre Road. A map of the Fanshawe Park Road and Richmond Street improvements is included below.

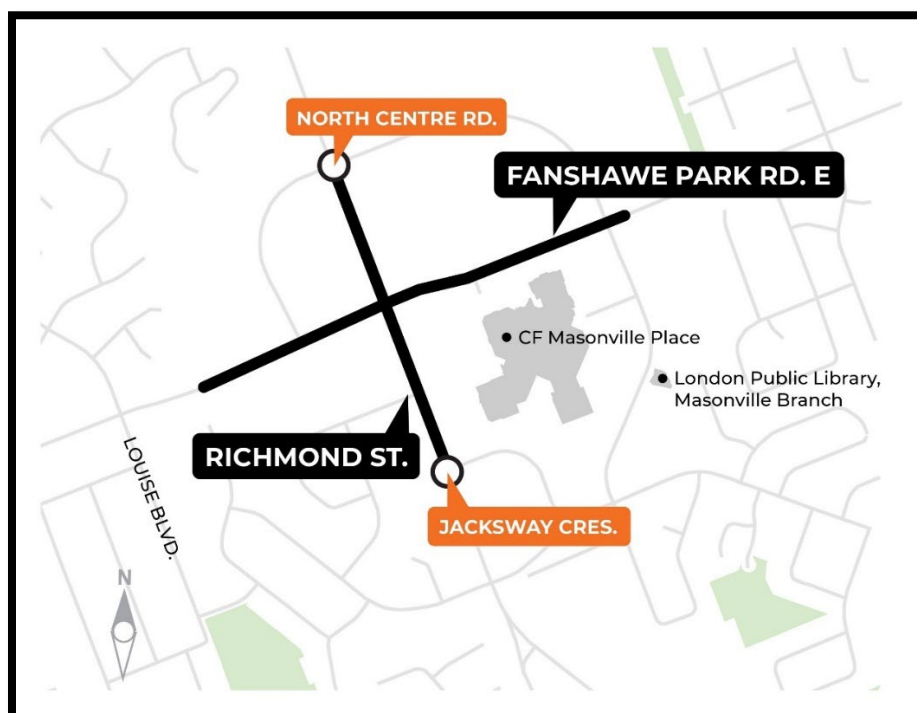


Figure 1: Map of the construction area for the Fanshawe Park Road and Richmond Street intersection improvements project.

## 2.0 Discussion and Considerations

### 2.1 Project Description

The recommended improvements to this intersection will enhance the functionality and safety of the intersection by better accommodating the large volume of vehicles, cyclists, and pedestrians, and incorporating the latest design standards. The project will follow the Council-approved Complete Streets Design Manual approach and will improve active transportation connectivity for the adjacent communities.

Improvements to the subject intersection will include:

- Reconstructing the road and adding additional through and turning vehicle lanes,
- Installing new asphalt in-boulevard bike paths,
- Installing new concrete sidewalks, curb, and gutter,
- Replacing aging street lighting and traffic signals,
- Landscaping and urban design elements,
- Upgrading and replacing underground infrastructure, including watermains and storm sewers,
- Accessibility improvements to meet current Accessibility for Ontarians with Disabilities Act (AODA) standards.

## **2.2 Advance Works**

The project requires the relocation of various utilities including, London Hydro, Enbridge Gas, Bell, Rogers, and Western University's communication infrastructure. To ensure prompt and efficient utility relocation, coordination is underway with the respective utility companies.

Tree removals have been completed in advance of the upcoming construction activities. New trees will be planted as part of this project.

## **2.3 Traffic Management and Communications**

A virtual pre-construction public meeting was held on December 7, 2022, to provide a project update and share information about the upcoming construction activities. Property owners, residents, and businesses near the project area were invited to attend.

Additionally, two in-person drop-in sessions were hosted at the Masonville Mall and the Masonville branch of the London Public Library on December 8, 2022, to provide individuals with further opportunities to connect with the project team.

A traffic staging plan has been developed and included in the construction plans. This plan balances mobility and access during all stages of construction while allowing the construction to be completed in a timely and cost-effective manner. It is anticipated that, during construction:

- A minimum of two lanes of traffic (one in each direction) will be maintained.
- A full intersection closure is not anticipated. However, temporary lane reductions will be required on Fanshawe Park Road and Richmond Street
- Temporary traffic signals will be in operation.
- Access to homes and businesses will be maintained.
- Frequent coordination with London Transit Commission (LTC) and emergency service providers will occur.

The traffic management plan will be communicated, monitored, and adjusted during construction based on traffic conditions and construction staging.

## **2.4 Construction Schedule**

Construction of the Fanshawe Park Road and Richmond Street intersection improvements is planned to begin in Spring 2023 and will require the full construction season, with some planned carry-over work in 2024.

## **2.5 Procurement Process**

The request for tenders (RFT) was published on February 3, 2023. Tenders for the Fanshawe Park Road and Richmond Street intersection improvements project (RFT-2023-015) were opened on March 7, 2023. Five contractors submitted prices as listed below, including contingency, and excluding HST:

<b>Contractor</b>	<b>Company Name</b>	<b>Tender Price Submitted</b>
1.	L82 Construction Ltd	\$14,704,685.58
2.	Bre-Ex Construction Inc	\$14,846,272.71
3.	J-AAR Excavating Limited	\$15,879,393.50
4.	Blue-Con Construction	\$15,975,000.00
5.	CH Excavating (2013)	\$19,694,918.41

All tenders have been checked by the City's consultant, Dillon Consulting Limited, and the Environment & Infrastructure Service Area. No mathematical errors were found, and the bids were determined to be compliant. The submitted low bid by L82 Construction Ltd is 10% below the tender estimate that was prepared prior to the tender opening. The tender results indicate competitive pricing from the construction industry and represent good value for a project of this size, scope, and complexity recognizing current market and supply chain conditions. All tenders include a contingency allowance of \$1,500,000.00 (excluding HST). As per section 13.2 a of the Procurement of Goods and Services Policy, Committee and City Council must approve award of tenders greater than \$6,000,000.

The tender amount will be funded from the City's Transportation Planning & Design, Traffic Engineering, Sewer Engineering, and Water Engineering capital project budgets.

## **2.6 Consulting Services**

Dillon Consulting Limited was awarded the detailed design of the Fanshawe Park Road and Richmond Street intersection improvements project by Council in April 2019, after previously completing the associated EA. With the consultant's knowledge and positive performance during the EA and detailed design phases of the project, the consultant was invited to submit a proposal to carry out the contract administration and construction supervision activities. Staff have reviewed the submitted fee submission, including the time allocated to each project task, along with hourly rates provided by each of the consultant's staff members. The review of assigned personnel and hourly rates for various activities are in alignment with the original competitive procurement process and with other similar infrastructure assignments.

The request to award consulting services to Dillon Consulting Limited at an upset amount of \$1,203,357.50, excluding HST; is supported by section 15.2 g of the Procurement of Goods and Services Policy. The continued use of Dillon Consulting Limited on this project for the construction administration phase 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 City's requirement for the creation of record drawings following construction requires the reviewing professional engineer to seal the drawings based on field verification and ongoing involvement. This requirement promotes consultant accountability for the design.

### 3.0 Financial Impact/Considerations

#### 3.1 Operating Cost

Anticipated annual operating costs associated with additional infrastructure is summarized below:

Service Area	Rationale	Increase in Annual Operating Cost
Roadway Operations	Additional maintenance required for the roadway, sidewalks, bike paths, additional pavement markings.	\$26,727
Traffic Engineering	Additional costs for streetlights, pavement markings and electrical equipment.	\$59,719
Forestry and Parks Operations	Additional tree maintenance	\$61,000
Sewer Operations	Operating cost of storm sewer improvements	\$220
Water Operations	Valve and hydrant maintenance	\$375
Solid Waste Operations	Collection and disposal associated with new garbage receptacles	\$3,300

The property tax supported operational budget impacts will be addressed as part of the annual assessment growth case process where appropriate, while the additional Water and Wastewater costs will be addressed in future budget processes.

### Conclusion

Civic Administration has reviewed the tender bids and recommends that the construction contract for the Fanshawe Park Road and Richmond Street Intersection Improvements project be awarded to L82 Construction Ltd in the amount of \$14,704,685.58, including contingency and excluding HST, in accordance with Section 8.5 (a) ii of the City of London's Procurement of Goods and Services Policy.

It is also recommended that Dillon Consulting Limited be authorized to carry out the contract administration and construction supervision to complete this project for a fee estimate of \$1,203,357.50 including contingency and excluding HST, in accordance with Section 15.2 (g) of the City of London's Procurement of Goods and Services Policy, as it is in the best financial and technical interests of the City.

Improvements to the Fanshawe Park Road and Richmond Street are necessary as planned developments in the area will generate growth in north London. Construction of the planned improvements will ensure that the intersection meets the long-term needs of the growing community in north London and the Masonville transit village.

**Prepared by:** Garfield Dales, P.Eng.  
Division Manager, Transportation Planning and Design

**Submitted by:** Doug MacRae, P.Eng., MPA  
Director, Transportation & Mobility

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

Attach: Appendix A – Source of Financing

c:

Steven Mollon, City of London  
Lauren Pasma, City of London  
Michelle Morris, City of London  
Violetta Sypien, City of London  
Peter McAllister, Dillon Consulting Limited  
Jeremi Demelo, L82 Construction Ltd

## Appendix "A"

**#23071**

April 12, 2023

(Award Contract)

Chair and Members

Civic Works Committee

RE: RFT-2023-015 Fanshawe Park Road & Richmond Street Intersection Improvements

(Subledger RD140016)

Capital Project TS1134 - Intersection - Richmond St and Fanshawe Park Rd

Capital Project TS416519 - Urban Intersections (2019-2023)

Capital Project EW376523 - Infrastructure Renewal Program - Watermains

Capital Project ES254023 - Infrastructure Renewal Program - Stormwater Sewers and Treatment

L82 Construction Ltd. - \$14,704,685.58 (excluding HST)

Dillon Consulting Limited - \$1,203,357.50 (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
<b>TS1134 - Intersection - Richmond St and Fanshawe Park Rd</b>				
Engineering	1,922,546	876,897	1,045,649	0
Land Acquisition	4,897,585	4,893,222	0	4,363
Construction	17,525,910	76,200	12,777,534	4,672,176
Relocate Utilities	1,500,000	111,888	0	1,388,112
City Related Expenses	49,059	6,269	0	42,790
<b>TS1134 Total</b>	<b>25,895,100</b>	<b>5,964,476</b>	<b>13,823,183</b>	<b>6,107,441</b>
<b>TS416519 - Urban Intersections (2019-2023)</b>				
Engineering	1,418,409	308,206	22,040	1,088,163
Construction	2,144,781	1,422,239	269,317	453,225
Traffic Signals	4,357,570	2,176,865	0	2,180,705
Street Lights	2,266,819	427,432	0	1,839,387
<b>TS416519 Total</b>	<b>10,187,579</b>	<b>4,334,742</b>	<b>291,357</b>	<b>5,561,480</b>
<b>EW376523 - Infrastructure Renewal Program - Watermains</b>				
Engineering	2,500,000	466,066	121,141	1,912,793
Construction	15,787,375	5,369,026	1,480,310	8,938,039
<b>EW376523 Total</b>	<b>18,287,375</b>	<b>5,835,092</b>	<b>1,601,451</b>	<b>10,850,832</b>
<b>ES254023 - Infrastructure Renewal Program - Stormwater Sewers and Treatment</b>				
Engineering	2,000,000	1,018,141	35,707	946,152
Construction	11,212,878	0	436,326	10,776,552
City Related Expenses	100,000	0	0	100,000
<b>ES254023 Total</b>	<b>13,312,878</b>	<b>1,018,141</b>	<b>472,033</b>	<b>11,822,704</b>
<b>Total Expenditures</b>	<b>\$67,682,932</b>	<b>\$17,152,451</b>	<b>\$16,188,024</b>	<b>\$34,342,457</b>

### Sources of Financing

<b>TS1134 - Intersection - Richmond St and Fanshawe Park Rd</b>				
Capital Levy	428,240	428,240	0	0
Debenture by-law No. W.-5581-134 (Note 3)	2,709,897	294,574	1,675,183	740,140
Drawdown from City Services - Roads Reserve Fund (Development Charges) (Note 1)	21,119,463	5,241,662	12,148,000	3,729,801
Debenture by-law No. W.-5581-134 (Serviced through City Services - Roads Reserve Fund (Development Charges)) (Note 1 and 3)	1,637,500	0	0	1,637,500
<b>TS1134 Total</b>	<b>25,895,100</b>	<b>5,964,476</b>	<b>13,823,183</b>	<b>6,107,441</b>



**Appendix "A"**

#23071

April 12, 2023  
(Award Contract)

Chair and Members  
Civic Works Committee

RE: RFT-2023-015 Fanshawe Park Road & Richmond Street Intersection Improvements

Sources of Financing Continued	Approved Budget	Committed To Date	This Submission	Balance for Future Work
<b>TS416519 - Urban Intersections (2019-2023)</b>				
Drawdown from City Services - Roads Reserve Fund (Development Charges) (Note 1)	10,187,579	4,334,742	291,357	5,561,480
<b>EW376523 - Infrastructure Renewal Program - Watermains</b>				
Capital Water Rates	12,193,444	5,835,092	1,601,451	4,756,901
Drawdown from Waterworks Reserve Fund	4,668,931	0	0	4,668,931
Canada-Community Building Fund	1,425,000	0	0	1,425,000
<b>EW376523 Total</b>	<b>18,287,375</b>	<b>5,835,092</b>	<b>1,601,451</b>	<b>10,850,832</b>
<b>ES254023 - Infrastructure Renewal Program - Stormwater Sewers and Treatment</b>				
Capital Sewer Rates	1,242,500	1,018,141	224,359	0
Drawdown from Sewage Works Renewal Reserve Fund	9,820,378	0	0	9,820,378
Canada-Community Building Fund	2,250,000	0	247,674	2,002,326
<b>ES254023 Total</b>	<b>13,312,878</b>	<b>1,018,141</b>	<b>472,033</b>	<b>11,822,704</b>
<b>Total Financing</b>	<b>\$67,682,932</b>	<b>\$17,152,451</b>	<b>\$16,188,024</b>	<b>\$34,342,457</b>

<b>Financial Note - Dillon</b>	<b>TS1134</b>	<b>TS416519</b>	<b>EW376523</b>	<b>ES254023</b>
Contract Price	1,027,564	21,658	119,046	35,089
Add: HST @13%	133,583	2,816	15,476	4,562
Total Contract Price Including Taxes	1,161,147	24,474	134,522	39,651
Less: HST Rebate	-115,498	-2,434	-13,381	-3,944
Net Contract Price	\$1,045,649	\$22,040	\$121,141	\$35,707

<b>Financial Note - Dillon</b>	<b>Total</b>
Contract Price	1,203,357
Add: HST @13%	156,437
Total Contract Price Including Taxes	1,359,794
Less: HST Rebate	-135,257
Net Contract Price	\$1,224,537

<b>Financial Note - L82 Construction</b>	<b>TS1134</b>	<b>TS416519</b>	<b>EW376523</b>	<b>ES254023</b>
Contract Price	12,556,539	264,659	1,454,707	428,780
Add: HST @13%	1,632,350	34,406	189,112	55,741
Total Contract Price Including Taxes	14,188,889	299,065	1,643,819	484,521
Less: HST Rebate	-1,411,355	-29,748	-163,509	-48,195
Net Contract Price	\$12,777,534	\$269,317	\$1,480,310	\$436,326

<b>Financial Note - L82 Construction</b>	<b>Total</b>
Contract Price	14,704,685
Add: HST @13%	1,911,609
Total Contract Price Including Taxes	16,616,294
Less: HST Rebate	-1,652,807
Net Contract Price	\$14,963,487

Engineering and Construction Total **\$16,188,024**

**Note 1:** Development charges have been utilized in accordance with the underlying legislation and the approved 2019 Development Charges Background Study and the 2021 Development Charges Background Study Update.

**Note 2:** There will be additional annual operating costs of \$26,727 for Roadway Operations, \$59,719 for Traffic Engineering, \$61,000 for Forestry and Parks Operations, \$220 for Sewer Operations, \$375 for Water Operations and \$3,300 for Solid Waste Operations.

**Note 3: Note to City Clerk:** The City Clerk be authorized to increase No. W.-5581-134 by \$3,714,897.00 from \$632,500.00 to \$4,347,397.00