



## REGION OF WATERLOO

### TRANSPORTATION AND ENVIRONMENTAL SERVICES Rapid Transit

**TO:** Chair Jim Wideman and Members of the Planning and Works Committee

**DATE:** May 28, 2013 **FILE CODE:** A02-30/PW

**SUBJECT: REGION OF WATERLOO RAPID TRANSIT PROJECT: HYDRO ONE CORRIDOR STUDY AGREEMENT**

#### RECOMMENDATION:

THAT the Regional Municipality of Waterloo approve an additional \$320,000 and enter into a second study agreement with Hydro One Networks Inc. to remove the existing overhead transmission lines and relocate Hydro One infrastructure underground between Courtland Avenue and Fairview Park Mall, at an upset fee limit of \$850,000 plus applicable taxes for study agreements 1 and 2.

#### SUMMARY:

In April 17, 2012 Council approved report E-12-051 which authorized \$530,000 as an upset cost limit to enter into an agreement with Hydro One Networks Inc. (HONI). Based on this approval, the Region entered into a study agreement with HONI for \$530,000 and has paid fees totaling \$250,000. This agreement provided funding for HONI to review the Region's LRT design drawings relating to the HONI corridor and progress HONI to the point of their final design. The Region now needs to enter into a second study agreement with HONI for \$600,000 for the next phase of HONI work; prepare tender documents, manage the tendering process, award the tender and provide Class A cost estimates to the Region for the total cost of the HONI relocation work.

To complete the second study agreement with HONI, staff recommends extending the original agreement by adding an additional amount of \$320,000, plus applicable taxes.

#### REPORT:

The Region continues to plan for population and employment growth over the next two decades. Recognizing this challenge, Council approved rapid transit as the preferred transportation mode to move people and to shape urban form.

With project approval in place, the construction is planned to commence in 2014 and system operations beginning in 2017. To execute the project within this schedule there are a number of key decision points and major milestones that will have to be met before 2014. Adherence to the project schedule is critical because delays to the project schedule have the potential to result in scope creep and increased costs.

One of these key decisions involve removing the existing Hydro One overhead transmission conductors and towers, and replacing them with buried infrastructure, between Courtland Avenue and Fairview Park Mall. The general study area is shown in Appendix A.

Recognizing the need for this early relocation Council approved report E-12-051 in April, 2012 authorizing \$530,000 as an upset cost limit to enter into an agreement with HONI. Based on this approval, the Region entered into a study agreement with HONI and paid a fee of \$250,000. This agreement provided funding for HONI to review the Region's LRT design drawings relating to the HONI corridor and progress HONI to the point of their final design.

The Region now needs to enter into a second study agreement with HONI for \$600,000 for the next phase of HONI work, which includes:

- Preparing contract tender for the underground cable work;
- Issuing the tender and managing the tender process; and
- Developing Class A construction cost estimates.

In light of the previous Council authorization and the need to undertake the above noted tasks in order to complete the second study agreement, staff recommends that the original agreement be extended by adding an additional amount of \$320,000, plus applicable taxes. With this approval, both study agreements will be completed at an upset fee limit of \$850,000, plus applicable taxes.

Following the completion of this assignment, staff will review the tender submissions with HONI and prepare recommendations for Council approval to execute the contract to undertake construction.

#### **CORPORATE STRATEGIC PLAN:**

The report supports Focus Area 3.1 of Council's Strategic Focus: Develop an implementation plan for light rail transit including corridor and station area planning.

#### **FINANCIAL IMPLICATIONS:**

The approved 2013 Regional budget for rapid transit provides the necessary funding resources for the entire Rapid Transit project and would cover the funds being requested. The estimated total cost to relocate the Hydro One towers is \$20M. This amount is included in the Rapid Transit project budget for this task.

#### **OTHER DEPARTMENT CONSULTATIONS/CONCURRENCE:**

This report was prepared with input from Transportation and Environmental Services and Finance.

#### **ATTACHMENTS:**

Appendix A – Study Area

**PREPARED BY:** *Derick Finn*, Manager Rapid Transit Engineering

**APPROVED BY:** *Thomas Schmidt*, Commissioner Transportation and Environmental Services

Study Area

