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REPORT FOR ACTION

Extension of Existing Construction Coordination Agreement with Toronto Hydro

Date: April 14, 2021
To: Infrastructure and Environment Committee
From: Chief Engineer and Executive Director, Engineering and Construction Services
Wards: All

SUMMARY

The purpose of this report is to seek Council's authority for the Chief Engineer and Executive Director, Engineering and Construction Services to negotiate and execute a one-year extension of the existing Construction Coordination Agreement with Toronto Hydro Electric System Limited and Toronto Hydro Energy Services Incorporated (together, "Toronto Hydro"), dated June 10, 2016. The report also seeks a delegation of authority to the Chief Engineer and Executive Director, Engineering and Construction Services, to enter into further one-year extensions, as may be necessary, of the Construction Coordination Agreement, until a new Construction Coordination Agreement is developed and approved by City Council

The existing Construction Coordination Agreement between the City and Toronto Hydro, that permits the City to relocate or replace Toronto Hydro assets that are affected by, or might act as an impediment to City construction projects, will expire on June 10, 2021. An extension of the Construction Coordination Agreement is required to ensure unimpeded progress on City projects.

RECOMMENDATIONS

The Chief Engineer and Executive Director, Engineering and Construction Services, recommends that City Council:

1. Grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to negotiate and execute an extension of the Construction Coordination Agreement between the City and Toronto Hydro dated June 10, 2016, for a period of one year, on terms similar to those in the existing Construction Coordination Agreement, with such necessary minor updates that are agreed to by both the City and Toronto Hydro, and in a form that is acceptable to the City Solicitor; 2. Grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to enter into annual extensions, as may be necessary, of the Construction Coordination Agreement, until a new Construction Coordination Agreement is developed and approved by City Council.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of the recommendations in this report.

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On May 16, 2016, by authority of the Public Works and Infrastructure Committee, the City authorized the Deputy City Manager, Cluster B, to negotiate and execute a Construction Coordination Agreement with Toronto Hydro.

On June 7, 2016, Council adopted this item without amendments and without debate. A copy of the Public Works and Infrastructure Committee document can be found at: http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2016.PW13.7

COMMENTS

Construction of capital projects by the City within the municipal right-of-way and on other City property often impacts Toronto Hydro infrastructure and other utilities. In such cases, the City often requires the relocation of conflicting Toronto Hydro infrastructure before the City's project can go ahead.

The Public Service Works on Highways Act, provides general guidelines for: (i) relocating utility infrastructure in the municipal right-of-way when required for improvement of a roadway; and (ii) sharing costs arising from that work.

However, while the City can request a utility company to relocate their infrastructure in accordance with the Public Service Works on Highways Act, Toronto Hydro is not always able to do so in a timely way, causing delay to the City's planned projects. Also, a relocation undertaken by Toronto Hydro in advance of a City project can mean that a road or other public property is subjected to two (2) successive construction projects (one by Toronto Hydro, then another by the City), resulting in an increased impact on neighbourhoods and traffic. In some cases, such as bridge rehabilitation, Toronto Hydro relocation in advance of the City's projects is not practical, as the work typically shifts traffic from one side of the road to the other, requiring multiple stages of street lighting configuration.

In 2016, the City and Toronto Hydro entered into a Construction Coordination Agreement, which permits the City to initiate, design and perform work on Toronto Hydro's assets as a component of City-sponsored capital projects, provided that it does so in accordance with Toronto Hydro's standards and using Toronto Hydro pre-qualified design consultants and contractors. Relocation costs are shared between the parties as they are under the Public Service Works on Highways Act and under other agreements. The Agreement is beneficial to the City as Toronto Hydro infrastructure can be relocated or upgraded, as may be necessary, through one construction contract, thereby helping keep the City's capital program on schedule and reducing overall construction impacts.

The existing Construction Coordination Agreement between the City and Toronto Hydro has a term of five (5) years and expires on June 10, 2021. The City and Toronto Hydro staff have worked diligently to follow the protocols outlined in the Construction Coordination Agreement with varying degrees of success. Both parties are currently addressing the lessons learned and working together on areas of improvement for a new long-term Construction Coordination Agreement, or revisions to the existing Construction Coordination Agreement. This one-year extension (and delegation for further one-year extensions as may be required), is intended to allow adequate time to develop and reach agreement with Toronto Hydro, in consultation with Legal Services.

CONTACT

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SIGNATURE

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