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## Hydrant Remediation – Award of Engineering Services

### Recommendation

That the Standing Policy Committee on Environment, Utilities and Corporate Services recommend to City Council:

1. That the proposal submitted by Stantec Consulting Ltd. for engineering services for the hydrant remediation plan development and implementation, for a total upset fee of \$1,575,000 (including GST and PST), be approved;
2. That the Property Realized Reserve be utilized as an interim funding source and the Administration report back at a later date regarding a permanent funding solution; and
3. That the City Solicitor be requested to prepare the appropriate agreement and that His Worship the Mayor and the City Clerk be authorized to execute the agreement under the Corporate Seal.

### Topic and Purpose

The purpose of this report is obtain approval for engineering services and construction costs required for development and execution of a remediation plan to address hydrant contamination.

### Report Highlights

1. The City of Saskatoon (City) discovered localized hydrant contamination in Aspen Ridge and a “Do Not Use” Drinking Water Advisory was issued by the Water Security Agency (WSA).
2. A qualified consulting engineer, Stantec Consulting Ltd. (Stantec) was retained through a Request for Quotes to complete a preliminary investigation and provide recommendations on how to address the contamination.
3. The scope of work has expanded and it is recommended that Stantec be retained to complete the project, as described in this report, and complete the remediation plan development, provide construction oversight and ongoing monitoring for a total upset fee of \$1,575,000 (including GST and PST).

### Strategic Goals

The intention of developing a remediation plan for areas of the water distribution system impacted by contamination supports the following Strategic Goals:

- Continuous Improvement, Moving Around and Quality of Life, by providing safe and high quality drinking water; and
- Asset and Financial Sustainability, by remediating the contaminated infrastructure in a cost-effective manner enabling continued land development.

### Background

On January 10, 2018, the City discovered localized potential contamination in Aspen Ridge hydrants and a “Do Not Use” Drinking Water Advisory was issued by the

WSA. All water samples collected in the area at various locations and times have tested negative for bacteria and hydrocarbons. Based on recommendations from the WSA, the City engaged a qualified consulting engineer to investigate and provide recommendations on how to address the contamination.

In February 2018, the Administration reached out to industry to retain an expert on hydrocarbon contamination. Interested consultants submitted their qualifications and Stantec was retained to provide engineering consulting services for an estimated cost of \$50,000.00 (Including GST and PST). The original scope of work was to determine a plan to develop a proposal for remediating hydrocarbon contaminated infrastructure. In order to develop a remediation plan, the consulting engineer required investigation of the physical and chemical properties of the source contamination.

The investigation has required extensive inspection of infrastructure, laboratory sampling and testing in order to determine the source material properties.

### **Report**

Based on the material properties identified and the characterization of the various infrastructure that has been impacted, the consulting engineer has estimated the cost to move forward with remediation and reinstatement (including the amount spent to date) at approximately \$1,575,000 including GST. Construction costs associated with the remediation and reinstatement plan are not included in the above estimate and will be addressed on a case-by-case basis through separate contracts with qualified water and sewer contractors.

The consulting engineer will be responsible for the following general tasks which may be subject to change as the work proceeds:

- Characterization of the contaminant.
- Investigation of the water system to ascertain scope and extents of contamination.
- Preparation of a Remediation Action Plan (RAP).
- Coordination and presentations involving WSA towards removal of the “Do Not Use” Notices in Aspen Ridge and Rosewood.
- Construction oversight and supervision through the implementation of the RAP.
- Extensive testing regime throughout the remediation, commissioning, and operation phases in compliance with the approved RAP.
- A final report and recommendations to provide the WSA and City with the required supporting information and justification for the removal of the “Do Not Use” Notice and the temporary above-ground water supply system.

### **Options to the Recommendation**

City Council could choose not to accept the proposed estimate from Stantec. This is not recommended as the consulting engineer who has completed the initial investigation is best suited to developing the remediation plan and providing the construction oversight for the implementation of the remediation plan. Accepting this estimate will also permit

the project to proceed without interruption and to address any required remediation before the end of construction season.

**Communication Plan**

Residents of Bolstad Link/Manor/Turn/Way are being provided regular email updates by City staff and have been invited to three information sessions to discuss the issues and impacts directly. The City is also communicating regularly with internal City agencies, as well as area builders and developers. The greater public is being updated via news releases and media briefings as appropriate.

**Financial Implications**

The net cost to the City for engineering services, as described above, and within the proposal submitted by Stantec, would be as follows:

Remediation Plan Development	\$ 700,000
Construction Oversight	400,000
Ongoing Sampling and Auditing	200,000
Contingency	<u>200,000</u>
Total Proposal Price	\$1,500,000
GST (5%)	<u>75,000</u>
Total Upset Fee	\$1,575,000
GST Rebate	<u>(75,000)</u>
Total Net Cost to the City	<u>\$1,500,000</u>

The Administration is recommending that the Property Realized Reserve be utilized as an interim source of funding. Information resulting from this engagement, as well as the result of ongoing internal negotiations will provide better insight into what the ultimate funding source will be. The Administration will report back at a future date regarding the permanent funding solution.

**Environmental Implications**

No contaminated water has been released into the environment; normal flushing protocols have been followed. The Ministry of Environment has been informed and current flushing processes have been described. Remediation plan development will require conforming to all environmental regulations.

**Other Considerations/Implications**

There are no public and/or stakeholder involvement, policy, privacy or CPTED implications or considerations.

**Due Date for Follow-up and/or Project Completion**

Certain phases will undergo remediation during the 2018 construction year; however, there could be some work that carries over into the 2019 construction season.

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### **Public Notice**

Public Notice pursuant to Section 3 of Policy No. C01-021, Public Notice Policy, is not required.

### **Report Approval**

Written by: Matt Jurkiewicz, Engineering Manager, Construction & Design  
Reviewed by: Celene Anger, Director of Construction & Design  
Clae Hack, Director of Finance  
Approved by: Angela Gardiner, Acting General Manager, Transportation & Utilities Department

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