

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: February 27, 2008

SUBJECT: PROCUREMENT AUTHORIZATION
PROJECT CONTROL SERVICES
SPADINA SUBWAY EXTENSION
CONTRACT A85-70

RECOMMENDATION

It is recommended that the Commission:

1. Authorize the award of Contract A85-70 to Stantec Consulting Ltd. in the upset limit amount of \$30,000,000 for a period of seven years for Project Control Services.
2. Authorize the release of an initial \$1,800,000 for the period March 1, 2008 to December 31, 2008. Further authorization will be in accordance with an approved work plan prepared annually.
3. Forward this report to the Toronto-York Spadina Subway Extension Executive Task Force and to the Move Ontario Trust for information.

FUNDING

Sufficient funds for this expenditure are included in the Toronto-York Spadina Subway Extension Project, as set out on pages 1521 to 1526 of the TTC 2008-2012 Capital Program (category Expansion), which was approved by City Council on December 11, 2007.

Funds for this work, totalling \$2,646,000 for 2008, have been approved by the Toronto-York Spadina Subway Executive Task Force.

Payment will be on an actual time worked basis and will be charged directly to the Project in accordance with the defined scope of services. These external consultant costs are considered eligible for shared funding by all parties.

BACKGROUND

In early 2006, the Provincial Government approved the construction of the Toronto-York Spadina Subway Extension (TYSSE) Project. The Province placed a contribution in trust totalling \$670 million for this purpose.

The estimated cost of the Project is \$2.097 billion in 2006 dollars and the estimated final cost is \$2.633 billion when considering escalated expenditures at year of occurrence. The Project is expected to take seven to eight years to complete from commencement of Project activity, expected to be April 2008.

The TYSSE Project is 8.6 kilometres in length, comprised of six new stations running from the existing Downsview Station to Vaughan Corporate Centre in the Regional Municipality of York (Region).

In late 2006, City of Toronto Council (City) and York Region Council (Region) approved a total contribution of one-third of the final cost apportioned at 40.04% to the Region and 59.96% for the City. In March 2007, the Federal Government announced that it would contribute \$697 million to the Project. With an additional \$200 million contribution recently announced from the Province of Ontario, the Project is now considered fully funded.

A number of agreements, approvals, business case and other reports and documentation are either approved or sufficiently advanced to allow for the intensification of work on the Project.

There is agreement between the City and Region that the TTC will be responsible for designing, constructing, owning, operating and maintaining the subway and integral surface structures in both the City and the Region. It is expected that in York, the Region will be responsible for the passenger pick-up and drop-off facilities, bus platforms and parking lots.

For the purpose of managing the TYSSE Project, the TTC is organizing the Spadina Subway Extension Department. It is intended that this Department will have an organizational structure comprised of TTC staff integrated with consultant staff from three consulting firms or joint ventures for the services of Project Management, Project Controls and Construction Management. The RFP indicates that the contracts for these professional services will be awarded to three separately and corporately unrelated firms or joint ventures. Also, other consulting assignments for design and technical exercises will be developed in the near future and requests for proposals issued.

This organization is similar to the one that delivered the Sheppard Subway. This model is common for big transit project organizations. It allows for the timely deployment of TTC and consultant staff with the requisite skills, ability to manage technical work, and the versatility to make orderly and responsive adjustments to the TYSSE Project organization.

DISCUSSION

A Request for Proposals for Contract A85-70 for Project Control Services – Spadina Subway Extension was publicly advertised on the Commission's web site as of December 13, 2007.

Eleven companies requested copies of the proposal documents, out of which one submitted a proposal, as summarized in Appendix A.

The proposal submitted by Stantec Consulting Ltd. was reviewed and rated by an evaluation team based on the criteria summarized in Appendix A. The recommendation for award is based on the only qualified proponent with reasonable pricing.

Stantec Consulting Ltd. is considered qualified to perform the work. Its submission did not state any exceptions or qualifications and is considered acceptable.

The pricing envelope of the only qualified proponent, Stantec Consulting Ltd., was opened and evaluated. It was determined that the billing rates submitted were reasonable compared to previous contracts.

Stantec Consulting Ltd. has provided services to the Commission in the past. Their performance has been satisfactory.

JUSTIFICATION

The award of a contract to Stantec Consulting Ltd. will ensure satisfactory Project Control consultant services are available to effectively provide Project controls to the Toronto-York Spadina Subway Project.

February 4, 2008

50-2-1

1120426

Attachment: Appendix A

APPENDIX A

PROCUREMENT AUTHORIZATION PROJECT CONTROL SERVICES SPADINA SUBWAY EXTENSION CONTRACT A85-70

LIST OF PROPONENTS (Alphabetically)

- Stantec Consulting Ltd.

EVALUATION CRITERIA

- A. Corporate Qualifications/Experience
 - Number of Years in Business
 - Relevant Corporate Experience
 - Depth of Available Resources
- B. Project Staff Qualifications/Experience
 - Number of Years Direct Experience
 - Work of a Similar Size and Nature
 - Technical Qualifications