

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: August 23, 2010

SUBJECT: PROCUREMENT AUTHORIZATION AMENDMENT
TORONTO-YORK SPADINA SUBWAY EXTENSION PROJECT
CONTRACT NO. A85-75E – YORK UNIVERSITY STATION
CONTRACT AMENDMENT NO. 3

ACTION ITEM

REASON FOR CONFIDENTIAL INFORMATION:

This report is about litigation or potential litigation that affects the Commission.

RECOMMENDATION

It is recommended that the Commission:

1. Authorize Contract Amendment No. 3 to ARUP Canada Inc., in the amount of \$3,320,000 for the completion of detailed design and support during construction for the York University Station, increasing the total upset limit amount to \$18,020,000 from \$14,700,000;
2. Receive the Confidential Attachment for information; and
3. That the information contained in the Confidential Attachment remains confidential in its entirety as it contains advice which is subject to solicitor-client privilege.

FUNDING

Sufficient funds for this expenditure are included in the Toronto-York Spadina Subway Extension (TYSSE) Project, as set out on pages 1439 to 1442 of the TTC 2010-2014 Capital Program (Category - Expansion) which was approved by City Council on December 8, 2009.

BACKGROUND

The TTC is implementing the design and construction of an underground subway line from the existing Downsview Station on the Spadina line to the proposed Vaughan Corporate Centre Station located in the City of Vaughan, Region of York. The 8.6 km extension includes six new subway stations, one of which is the York University Station.

**PROCUREMENT AUTHORIZATION AMENDMENT
TORONTO-YORK SPADINA SUBWAY EXTENSION PROJECT
CONTRACT NO. A85-75E – YORK UNIVERSITY STATION
CONTRACT AMENDMENT NO. 3**

The Toronto-York Spadina Subway Extension (TYSSE) project is being funded by the Federal Government, the Province of Ontario, the Regional Municipality of York and the City of Toronto. The TTC is managing the design and construction of the TYSSE project and will own and operate the subway extension.

At the Commission meeting of October 23, 2008, the Commission approved TYSSE's recommendation to award Contract A85-75E for the design of York University Station to the design team lead by ARUP Canada Inc. in association with Foster + Partners in the upset limit amount of \$11,000,000.00. The fee was intended to cover design services for the York University Station including preliminary design, detailed design; design support during construction, and preparation of record drawings.

At the Commission meeting on September 24, 2009, the Commission approved the conceptual design of the York University Station. Public presentation of the station concept took place on December 3, 2009, generally with positive feedback.

At the Commission meeting on June 2, 2010 the Commission approved an increase in fee from \$11,000,000 to \$14,700,000.

Contract A85-75E details are as follows:

Original Contract Upset Limit Amount	\$11,000,000
Previous Contract Amendments	\$3,700,000
This Contract Amendment	<u>\$3,320,000</u>
Total Revised Upset Limit Amount*:	\$18,020,000

*Note: HST premium has been included for work to be executed after July 1, 2010.

No work has been done on this Contract Amendment.

DISCUSSION

The original upset limit was based on the conceptual station design in the Environmental Assessment report in 2006 with an estimated final cost of \$97M including HST. The design consultant was presented with the TYSSE station design philosophy which emphasizes key elements in the TTC design standards, including bright open spaces maximizing the use of natural light, strong aesthetics and public artwork, column free structures, where possible, with high ceilings, and sustainable design to meet the Toronto Green Standard.

In developing this concept, staff and the station designer have met with and reviewed concepts with major stakeholders including staff from City of Toronto Planning and York University.

The report presented at the September 24, 2009 Commission meeting indicated a capital cost of approximately \$130M i.e. a cost increase of \$33M over the amount originally budgeted for this station. Through the Value Engineering process conducted by TTC and ARUP, the indicated capital cost has been reduced to \$124M, reducing the increase to \$27M which is to be covered by the project contingency allowance. All figures include net HST cost.

The \$27M capital cost increase accounted for several conditions not foreseen when the original project budget was established. The station concept documented in the Environmental Assessment required significant modification to fully address field conditions, City Planning needs, York University requirements and adoption of updated design criteria. Justification for the resultant increase in design fees to address these issues was presented in the June 2, 2010 Commission report. At that time, staff were still analysing the engineering work completed to date and developing a realistic design fee for overall completion of the assignment. Amendment #2 was brought forward in June for approval of a provisional sum to allow the design work to continue without exceeding the previously authorized amount.

Staff have now completed their analysis and can provided justification for the engineering fees required to complete the work for a total of \$18,020,000. Justification for the additional fees is based on requests by staff for the design consultant to pursue two alternative design concepts during the preliminary design (phase II). The first design change was to remove structural columns from the platform edge when the decision was made to design without platform edge doors being in place on opening day. This required extensive redesign of the station structure. A subsequent design change was required to reduce the estimated construction cost to meet budgetary constraints. This required significant changes to the design concept to reduce the size and configuration of the station and associated siteworks. The amendment requested herein addresses the additional preliminary design work, and also provides for the HST premium on all work executed after July 1, 2010.

The total upset limit, including design support during construction, will be \$18,020,000, which is in line with the Professional Engineers Ontario guidelines for this type of project, and consistent with previous TTC costs. The current contract value is \$14,700,000; an increase of \$3,320,000 in the contract value is required to provide sufficient funds to cover the consultant's fee to complete the work.

The actual fees paid will be based on work plans as approved by staff.

JUSTIFICATION

The Contract Amendment is required to pay for the additional engineering costs associated with the increased project work.

July 26, 2010
70-29-30
03-04-000007985

Confidential Attachment