

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: December 15, 2010

SUBJECT: NOTICE OF AWARD - PROCUREMENT AUTHORIZATION
TORONTO-YORK SPADINA SUBWAY EXTENSION
SHEPPARD WEST STATION AND THE SOUTHERN TUNNELS
CONTRACT A35-25

INFORMATION ITEM

RECOMMENDATION

It is recommended that the Commission receive the notice of award of Commissioners Perruzza and Milczyn and the Chief General Manager authorizing the award of a contract to Aecon Buildings, a Division of Aecon Construction Group Inc., in the amount of \$279,078,688.00 for Contract A35-25 Sheppard West Station and the Southern Tunnels.

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. The budgeted amount for this contract is \$268,800,000.00 including provision for applicable HST of 1.76%. The recommended bid of \$279,078,688.00 includes an HST component of 13%. When this HST is adjusted to reflect the actual 1.76% applicable to the work, this amount is reduced to \$251,319,003.00. The recommended bid is \$17,480,977.00 below budget.

BACKGROUND

At its meeting of July 14, 2010, the Commission approved the revisions and updates to the Authorization for Expenditures and Other Commitments Policy, effective August 1, 2010, which states that *'The Commission delegates authority to the Chair, Vice-Chair and the Chief General Manager to authorize items that would normally be authorized by the Commission when the approval is required before the next Commission meeting. If the Chair and/or Vice-Chair are not available, authority would be deemed to be delegated to any two (2) Commissioners and the Chief General Manager.'* These authorizations are to be followed up by a notice of award Commission report that is to be submitted to the next scheduled Commission meeting for information.

The TTC is planning the design and construction of an underground subway line from the existing Downsview Station on the Spadina Line located in the City of Toronto, to the

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proposed Vaughan Corporate Centre located in the City of Vaughan, Region of York. The new 8.6 km long line will include both tunnelled and cut and cover sections.

The Contract designated as A35-25 consists of three individual packages, as follows: Sheppard West Station, South Twin Tunnels, and Finch West Extraction Shaft.

The work for Sheppard West Station includes all labour and materials for the construction of Sheppard West Station.

The work for South Twin Tunnels includes tunnelling of approximately 4.0 km of tunnels, from the tailtrack at Downsview Station to the extraction shaft south of the south crossover at Finch West Station and associated temporary and permanent works.

The work for Finch West Extraction Shaft includes the construction of 50 m of structure and associated works at the south end of the Finch West south crossover.

DISCUSSION

A Request for Tenders was posted on the TTC's website as of August 9, 2010. Eleven pre-qualified companies were issued copies, and another 40 companies requested copies of the tender documents, out of which five pre-qualified companies submitted tenders as summarized on the attached Appendix A.

Aecon Buildings, a Division of Aecon Construction Group Inc. submitted the lowest priced tender and did not state any exceptions or qualifications. Their tender is considered acceptable.

Toronto Spadina Constructors submitted the second lowest priced tender and also did not state any exceptions or qualifications and their tender is considered acceptable.

Dragados Canada Inc. and EllisDon Civil Ltd., acting in Joint Venture (Dragados/EllisDon) submitted the third lowest priced tender and also did not state any exceptions or qualifications and their tender is considered acceptable.

The successful tenderer will be required to execute a Performance Bond and a Labour and Material Payment Bond each in the amount of 50% of the contract value.

JUSTIFICATION

The tender submitted by Aecon Buildings, a Division of Aecon Construction Group Inc. is the lowest priced acceptable tender.

November 5, 2010

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03-04-000013122

Appendix A – Summary of Tenders

Appendix B - Plan Showing Extent of Work

APPENDIX 'A'

Toronto-York Spadina Subway Extension Sheppard West Station and the Southern Tunnels Contract A35-25

Summary of Tenders

	<u>Tender Price</u>
1. Aecon Buildings, a Division of Aecon Construction Group Inc. *	\$279,078,688.00
2. Toronto Spadina Constructors	\$283,322,008.00
3. Dragados Canada Inc. and EllisDon Civil Ltd.	\$294,750,000.00
4. OHL S.A./FCC Construcción S.A.	\$311,862,300.00
5. Strabag Inc.	\$417,742,002.00
ENGINEER'S ESTIMATE	\$270,000,000.00

*Recommended Company

