

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: December 15, 2010

SUBJECT: PROCUREMENT AUTHORIZATION
UNION SUBWAY STATION SECOND PLATFORM &
CONCOURSE IMPROVEMENTS
CONTRACT U2-7

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission:

1. Authorize the acceptance of the evaluated tender submitted by EllisDon Corporation in the amount of \$161,550,000 for Contract U2-7 Union Subway Station Second Platform & Concourse Improvements, subject to the execution of an acceptable amended Toronto Waterfront Revitalization Corporation Delivery Agreement in the amount of \$137,500,000, and
2. Authorize the execution of the Amended Union Station Second Platform and Concourse Improvements Delivery Agreement between the Toronto Transit Commission (TTC) and the Toronto Waterfront Revitalization Corporation (TWRC), such agreement to be in a form that is satisfactory to the Chief General Manager and General Counsel.

FUNDING

Funding for this project is provided by TWRC. TTC signed a Delivery Agreement with TWRC in December 2006, in the amount of \$89,334,000. TWRC has agreed to amend the agreement to the current project estimate of \$137,500,000 as set out in the Waterfront Initiatives Category on pages 1617 to 1624 of the TTC's 2010-2014 Capital Program which was approved by City Council on December 8, 2009.

Additional funds are included under the following projects:

- Project 3.2 Equipment, Subway Escalator Overhaul program as set out on pages 529-533 of the State of Good Repair/Safety Category;
- Project 3.4 Bridges and Tunnels, Bridges/Structures Maintenance Program as set out on pages 647-654R of the State of Good Repair/Safety Category;

- Project 3.9 Buildings and Structures, Fire Ventilation Upgrade as set out on pages 691-703R of the State of Good Repair/Safety;
- Project 3.2 Equipment, Subway Rooms Air Conditioning Systems as set out on pages 563-566 of the State of Good Repair/Safety Category;
- Project 3.9 Buildings and Structures, Collector Booth Renewal Program as set out on pages 893-895 of the Improvements Category; and
- The City of Toronto will provide funds under the Union Station Revitalization program for work associated with their early works program being undertaken by this contract.

There are no financial implications arising from the execution of the Delivery Agreement which will allow funds to flow from TWRC to TTC for the Union Station Second Platform and Concourse Improvements Project.

BACKGROUND

PROCUREMENT AUTHORIZATION

The project will add a new subway platform to the south of the existing centre platform, reconfigure the concourse level and provide a new automatic entrance as shown in Appendix 'B'. These modifications will improve the flow of commuter and pedestrian traffic through Union Station and relieve passenger congestion on the existing platform. Future passenger volumes are expected to nearly double by 2021. The fire ventilation equipment of the station will be upgraded and new escalators and elevators will be installed. Rehabilitation of the centre platform and top side roof repairs of the existing station box structure is included. The required accessibility elements, second exits and upgrades to fire alarm systems will also be constructed. Several items of work will be performed on behalf of the City of Toronto, including but not limited to rerouting of the siphon sewer at the Front Street East moat, construction of the northeast plaza and stairs from the moat to Bay Street/Front Street and rehabilitation of the Front Street East Bridge.

The design concept for the Union Station New Platform Project was approved by the Commission on November 17, 2004. The station finishes and refined layouts were approved by the Commission on August 26, 2009.

A publicly advertised pre-qualification process was completed in fall 2009. Four companies (Black & MacDonald Limited, EllisDon Corporation, Kenaidan Contracting Ltd. and Vanbots, a Division of Carillion Construction Inc.) were pre-qualified to receive specifications and drawings for the Union Subway Station Second Platform and Concourse Improvements.

A Request for Tenders for Contract U2-1 was issued to the four pre-qualified tenderers on March 31, 2010. Two companies: EllisDon Civil Ltd. and Kenaidan Contracting Ltd. submitted tenders by the July 26, 2010 closing date. The bid submitted by EllisDon Civil Ltd. was not compliant with the requirements of the Request document and the only compliant tender exceeded the budget allocation. The Commission cancelled the U2-1 tender, changed the scope of work and re-packaged the project as U2-7.

DELIVERY AGREEMENT APPROVAL

In March 2001, the City of Toronto, together with the Provincial and Federal Governments, announced funding for four priority waterfront revitalization projects. An interim Contribution Agreement was made on July 18, 2001 among the three levels of government and amended on March 20, 2002.

TTC and TWRC entered into a Delivery Agreement for the project known as "Union Station Second Platform" dated November 8, 2002, which was subsequently revised on November 28, 2006 and is now amended to increase the funding level to \$137,500,000 from the TWRC.

DISCUSSION

PROCUREMENT AUTHORIZATION

A Request for Tenders for Contract U2-7 was issued to the four prequalified tenderers on October 6, 2010. Two companies, EllisDon Corporation and Kenaidan Contracting Ltd., submitted tenders by the October 20, 2010 closing date and are summarized in Appendix 'A'.

EllisDon Corporation submitted the lowest priced tender and did not state any exceptions or qualifications. Their tender is considered commercially acceptable.

The Agreement to Bond submitted by EllisDon Corporation covers both a Labour and Material Payment Bond and a Performance Bond. The Surety Companies noted on the tender are licensed to transact business under the Insurance Act of Ontario. As such, they are considered financially capable of performing the work.

Kenaidan Contracting Ltd. submitted the second lowest price tender and did not state any exceptions or qualifications and their tender is considered commercially acceptable.

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

Prior to closing, Vanbots, a Division of Carillion Construction Inc., advised the Commission in writing that they would not be submitting a tender due to their current and future commitments. Black & MacDonald Limited did not communicate with the Commission their intent to not respond.

DELIVERY AGREEMENT APPROVAL

The TWRC has amended the Contribution Agreement with the three levels of government and the Delivery Agreement with TTC to reflect project funding in the amount of \$137,500,000. The funding of scope beyond the TWRC contribution is allocated to the projects listed in the funding statement.

SCHEDULE

The Union Subway Station Second Platform and Concourse Improvements project is but one of many projects which are co-ordinated and monitored in the City's master plan for the greater Union Station area.

Components of the City of Toronto work in the Union Station area follow the TTC's Union Subway Station Second Platform and Concourse Improvements such that any delays to the TTC project impacts the work of others in the area:

- Start of Construction - January 2011
- End of Construction - April 2014.

JUSTIFICATION

- 1) The tender submitted by EllisDon Corporation is the lowest acceptable tender for Contract U2-7 Union Subway Station Second Platform & Concourse Improvements, and
- 2) Execution of an acceptable Amended Delivery Agreement will secure funding for the Union Subway Station Second Platform and Concourse Improvements Project and allow work to proceed without further delay.

November 17, 2010
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Attachments: Appendix A
Appendix B

APPENDIX A – SUMMARY OF TENDERS

PROCUREMENT AUTHORIZATION
UNION SUBWAY STATION SECOND PLATFORM & CONCOURSE IMPROVEMENTS
CONTRACT U2-7

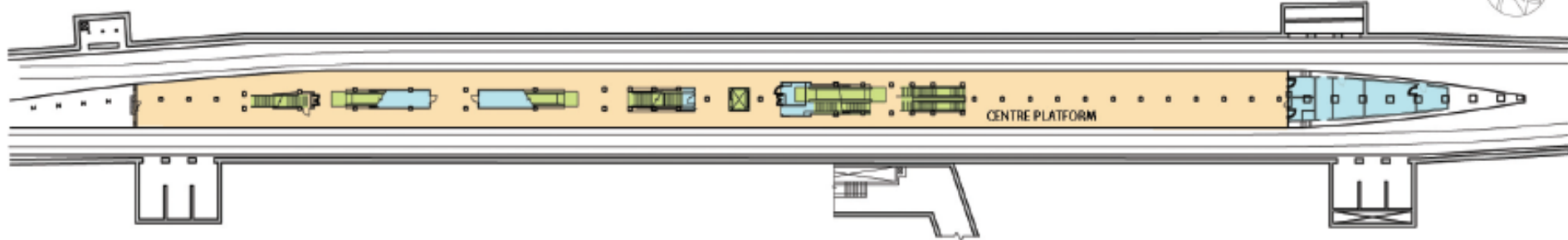
SUMMARY OF TENDERS

<u>Company</u>	<u>Tendered Price</u>
EllisDon Corporation*	\$161,550,000.00
Kenaidan Contracting Ltd.	\$181,377,000.00
Engineer's Estimate	\$165,000,000.00
Recommended Company*	

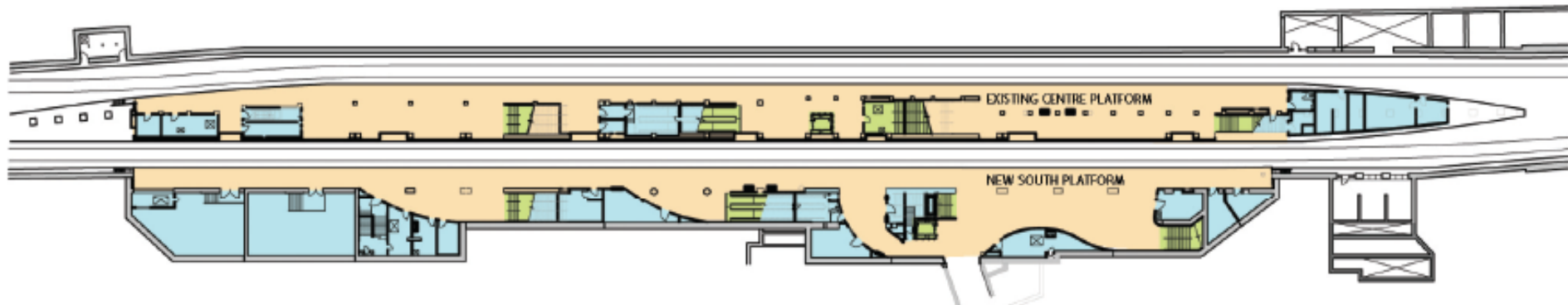
APPENDIX B

UNION SUBWAY STATION SECOND PLATFORM & CONCOURSE IMPROVEMENT
PLANS AT CONCOURSE AND PLATFORM LEVELS


PLATFORM LEVEL



EXISTING



PROPOSED

-  SERVICE AREA
-  FARE PAID AREA
-  VERTICAL CIRCULATION

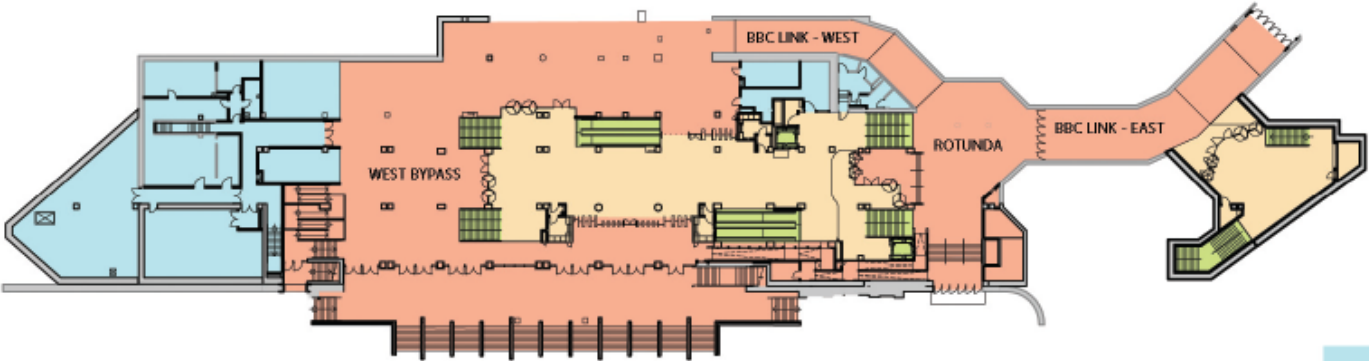
CONCOURSE LEVEL



EXISTING



PROPOSED



-  SERVICE AREA
-  FARE PAID AREA
-  FARE UNPAID AREA
-  VERTICAL CIRCULATION