

# TORONTO TRANSIT COMMISSION REPORT NO.

**MEETING DATE:** April 30, 2014

**SUBJECT:** PROCUREMENT AUTHORIZATION AMENDMENT  
TORONTO-YORK SPADINA SUBWAY EXTENSION PROJECT  
CONTRACT NO. A85-70 – PROJECT CONTROLS SERVICES  
ADDITIONAL CONTRACT AUTHORITY

## **ACTION ITEM**

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### **RECOMMENDATION**

It is recommended that the Board authorize staff to proceed with a Contract Amendment to the Project Controls Services Contract with Stantec Consulting Services Limited in the amount of \$9,000,000.00 increasing the total upset limit amount from \$30,568,503.00 to \$39,568,503.00 inclusive of all applicable taxes.

### **FUNDING**

Sufficient funds for this expenditure have been included in the Toronto-York Spadina Subway Extension (TYSSE) project, as set out on pages 1007 to 1010 of the TTC 2014-2023 Capital Program (Category – Expansion) which was approved by the Board on November 20, 2013 and by City Council on January 29/30, 2014.

### **BACKGROUND**

The TTC is undertaking the Toronto-York Spadina Subway Extension (TYSSE) project to extend the subway line from the existing Downsview Station on the Spadina Line located in the city of Toronto, to the Vaughan Metropolitan Centre Station located in the city of Vaughan, Region of York. The 8.6 km extension will include both tunnelled and cut and cover sections.

The YYSSE 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 YYSSE project and will own and operate the subway extension.

The organization structure was initially established to have consultants supplement TTC staff in key positions including Project Controls Services (PCS). This allows the project to rapidly staff up at the start of the project and transfers the liability risks of displaced staff to consultants at the end of the project.

At its meeting of February 27, 2008, the Board approved the award of Contract A85-70 to Stantec Consulting Limited (Stantec) to supplement TTC Staff to manage PCS. Currently, the YYSSE project has 187 budgeted positions with 33 key positions being filled by TTC staff. The PCS provides 28 of the consultant staff to manage project control services including but not limited to the following tasks:

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- Implementing and maintaining integrated schedule and budget
- Performing cost control & cost analysis
- Budget and schedule forecasting and trending
- Enforcing scope control and verification process
- Enforcing integrated change control system
- Ensuring consistent reporting structure
- Reporting Key Performance Indicators
- Facilitating a defined audit trail

Contract A85-70 details are as follows:

Original Contract Upset Limit Amount (including HST)	\$30,000,000.00
Previous Contract Amendments (including HST)	\$568,503.00
This Contract Amendment (including HST)	<u>\$9,000,000.00</u>
Total Revised Upset Limit Amount (including HST):	\$39,568,503.00

To date there has been no expenditure beyond the previously authorized \$30,568,503.00

**DISCUSSION**

As a direct result of construction delays, PCS support will be required for the corresponding duration.

Staff levels are maximized and will reduce as originally planned as the project nears completion.

The original estimate for PCS contract completion was March 11, 2015. Due to the extra effort required to support the ETF, an amendment of \$1,500,000.00 would have been required to reach the original contract completion date of March 2015. Additionally, due to delays, the PCS contract will be required until December 31, 2016, an additional 21 months at an average of approximately \$355,000.00 per month. Therefore, further authority of \$7,500,000.00 for a total of \$9,000,000.00 is required. Additional funds will be required if the schedule is further delayed. To date \$25,752,686.67 has been expended and Stantec's performance continues to be satisfactory.

**JUSTIFICATION**

The contract amendment is required to allow Stantec to provide continued support to the TTC on the Toronto-York Spadina Subway Extension project.

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