

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: February 24, 2014

SUBJECT: PROCUREMENT AUTHORIZATION AMENDMENT
WILSON CARHOUSE NORTH EXPANSION
CONTRACT C1-38

ACTION ITEM

RECOMMENDATION

It is recommended that the Board authorize the amendment to Contract C1-38 Wilson Carhouse North Expansion with Buttcon Limited (Buttcon) in the upset amount of \$2,069,532.00 (inclusive of all applicable taxes) to provide an extension to the terms of their temporary work assignment as Constructor for all construction works that are being carried out on the Wilson Yard project.

FUNDING

Sufficient funds for this expenditure are included in Project 3.9 - Toronto Rocket/T1 Rail Yard Accommodation under the State of Good Repair/Safety Category as referenced on pages 563 to 568 of the TTC's 2014-2023 Capital Budget which was approved by City of Toronto Council on January 29/30, 2014.

BACKGROUND

The TTC's Wilson Yard is undergoing a significant expansion of the rail yard and supporting maintenance facilities. The expansions are required to accommodate the needs for Toronto Rocket (TR) train storage as a result of the introduction of the Toronto-York Spadina Subway Extension (TYSSE) and increasing service demands on the Yonge University Spadina line (YUS).

There are several construction contracts that are being performed by multiple contractors in parallel in order to meet the timelines of the Wilson Yard project. The current contract work includes alterations and expansion of the carhouse building, site preparation for track installation, utility installation and relocations, construction of a new power substation, stormwater management pond and other state of good repair contracts. The project also includes track and signal equipment installations that are being performed by TTC's forces and there are continuous operational activities on the site such as TR train deliveries, train removals and testing.

The Occupational Health and Safety Act requires one person to undertake the role of "Constructor" and have overall responsibility for health and safety matters on a construction project. In locations where more than one contractor is performing work and there may be overlap in space and time between contractors, one contractor must assume the Constructor role and is ultimately responsible for the health and safety of all workers. Due to the increasing amount of

work at the yard, close proximity and overlap of the various construction activities, it was determined that it is necessary for one contractor to carry out the duties of Constructor and file one Notice of Project with the Ministry of Labour. Alternatively, the TTC would be required to assume the role of constructor and be responsible for all safety aspects and the associated risks.

The long term plan for the work at Wilson Yard is to issue a contract that will allow for a single contractor to act as a general contractor as well as Construction Manager for the current construction work and future contracts that will be required to complete the expansion of the yard and maintenance facilities. The Construction Manager will also serve as Constructor for the work including the project work that is being performed by TTC's forces. A pre-qualification process for the Construction Manager Contract was run with a request publicly advertised on MERX and seven firms/joint ventures were pre-qualified for the assignment in March 2013. A Request for Bids is being prepared and a firm is expected to be recommended for award by the August 2014 Board meeting.

In the interim, one of the current contractors on site is required to assume the role of Constructor for the work at Wilson Yard. A discussion was held between staff and the Ministry of Labour (MOL) regarding this issue where staff proposed, as an interim plan, to have an existing contractor at the Wilson site assume the Constructor role until the award of the Construction Manager Contract. The MOL agreed to this interim plan and staff subsequently requested Buttcon to provide a quotation to perform the role of overall Constructor as a Contract Change to Contract C1-38 Wilson Carhouse North Expansion. The assignment includes the requirement for a master project schedule, development of a work permit system that authorizes work and keeps individual contractors and work activities from posing a hazard to one another and the establishment of a project Joint Health and Safety Committee. Pricing was received to perform the role from July 1 to December 31, 2013 and was evaluated by staff and determined to be reasonable. Contract Change No. 1 was approved by staff and then issued for the assignment and a subsequent change was then issued to extend the assignment to April 1, 2014 under Contract Change No. 22, which was also approved by staff. The current approved value for this scope of work is \$2,498,867.50 as noted in Contract Change Nos. 1 and 22. With the approval of this contract change authorization, the cumulative value of this work is \$4,568,399.50, requiring Board approval. This additional authorization of \$2,069,532.00 is required to cover the role until December 31, 2014. This will allow an overlap between the current Constructor and future Constructor to help ensure a seamless transition. It should be noted that this additional authorization amount is an upset limit and will be adjusted depending on the actual transition period required.

At its March 27, 2013 meeting, the Board approved the recommendation to award Contract C1-38 for the Wilson Carhouse North Expansion to Buttcon.

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Contract C1-38 details are as follows:

Original Contract Amount:	\$37,700,190.00
Value of Approved Changes	\$3,706,730.72
Amount of this Change	\$2,069,532.00
Total Revised Amount	\$43,476,452.72

To date there have been no expenditures beyond the previously authorized \$41,406,920.72.

DISCUSSION

A sole Constructor for the construction work at Wilson Yard is required to continue to ensure the overall health and safety of all contractors and TTC forces performing work on the Wilson Yard project. Buttcon has established several successful processes including site safety orientation for all workers, a work permit system and Joint Health and Safety committee and are adequately performing the role to date. It is considered not feasible to introduce a different contractor at this time to perform the Constructor role in the period prior to award of the Construction Manager Contract. Approval of this amendment will allow for the continuation of this assignment by Buttcon Limited until the transfer of sole Constructor to the successful proponent of the Construction Manager Contract.

JUSTIFICATION

Approval of this contract change will provide for the extension of the Constructor role by Buttcon Limited until the award of the Construction Manager Contract.
