



# STAFF REPORT ACTION REQUIRED

## Procurement Authorization Scarborough Subway Extension Station Design Services – Contract FE85-5

<b>Date:</b>	May 27, 2015
<b>To:</b>	TTC Board
<b>From:</b>	Chief Executive Officer

### Summary

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The purpose of this report is to obtain authorization for the award of Contract FE85-5 for Station Design Services for the Scarborough Subway Extension (SSE) to the following firms, in the noted upset limit amounts, in Canadian funds, both with a duration of seven years from the Notification of Award, on the basis of highest total weighted scores.

<u>Firm</u>	<u>Upset Limit</u>	<u>Station</u>
AECOM Canada Limited (Team 1)	\$63 Million	Sheppard Avenue
AECOM Canada Limited (Team 2)	\$32 Million	Scarborough Centre

This contract is for consultants to develop designs for the SSE stations and their ancillary facilities. One contract is being awarded for each of Scarborough Centre and Sheppard Avenue. Lawrence, a third station, is to be designed by TTC Engineering.

### Recommendations

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#### It is recommended that the Board

1. Authorize award of Contract FE85-5 for Station Design Services for the Scarborough Subway Extension (SSE) to the following firms, in the noted upset limit amounts, in Canadian funds, both with a duration of seven years from the Notification of Award, on the basis of highest total weighted scores.

<u>Firm</u>	<u>Upset Limit</u>	<u>Station</u>
AECOM Canada Limited (Team 1)	\$63 Million	Sheppard Avenue
AECOM Canada Limited (Team 2)	\$32 Million	Scarborough Centre

## **Financial Impact**

Sufficient funds are included in the TTC's 2015-2024 Capital Budget under Scarborough Subway Extension, as noted on pages 1043-1044, as approved by the Board on February 2, 2015 and approved by City of Toronto Council on March 10/11, 2015. Funds in the amount of \$33.8 million are included in TTC's Council approved 2015 Capital Budget and no work beyond what can be accommodated within the approved funding will be initiated, unless project approval funds are made available.

Contract work will be administered on a Work Assignment Release basis. Work will only commence as authorized by TTC staff in the form of a Work Assignment Release and payment for services will be based on the terms included in the Contract Documents.

The Chief Financial & Administration Officer has reviewed this report and agrees with the financial impact information.

## **Accessibility/Equity Matters**

All designs associated with the Scarborough Subway Extension will ensure accessibility provisions are developed in accordance with the TTC Design Manual and AODA/Ontario Building Code.

## **Decision History**

At its meeting of October 8, 2013, City Council confirmed support for a Scarborough Subway extending the Line 2 (Bloor-Danforth) along the McCowan Corridor to Sheppard Avenue East, subject to approval through an Environmental Assessment.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CC39.5>

At its meeting of June 24, 2014, the Board received a status report on the Scarborough Subway Extension and approved forwarding the report to the City Planning and Growth Management Committee for its information.

[http://www.ttc.ca/About\\_the\\_TTC/Commission\\_reports\\_and\\_information/Commission\\_meetings/2014/June\\_24/Reports/Scarborough\\_Subway\\_Extension\\_Update.pdf](http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2014/June_24/Reports/Scarborough_Subway_Extension_Update.pdf)

At its meeting of December 9, 2014, the Board approved the award of contract FE85-2 for Tunnel Design Services.

[http://www.ttc.ca/About\\_the\\_TTC/Commission\\_reports\\_and\\_information/Commission\\_meetings/2014/December\\_9/Reports/BR\\_17122\\_Procurement\\_Authorization\\_Tunnel\\_Design\\_Contract\\_FE.pdf](http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2014/December_9/Reports/BR_17122_Procurement_Authorization_Tunnel_Design_Contract_FE.pdf)

At its meeting of February 25, 2015, the Board approved the award of contract FE85-3 for Project Management Services.

[http://www.ttc.ca/About\\_the\\_TTC/Commission\\_reports\\_and\\_information/Commission\\_meetings/2015/February\\_25/Supplementary\\_Reports/Procurement\\_Authorization\\_Project\\_Management\\_Services\\_Contra.pdf](http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2015/February_25/Supplementary_Reports/Procurement_Authorization_Project_Management_Services_Contra.pdf)

On May 5, 2015, City Council directed the City Manager, in consultation with CEO of the TTC and the Deputy City Manager and Chief Financial Officer, to report to Council by the first quarter of 2016 with a recommendation on whether to proceed with a Design-Bid-Build or Design-Build-Finance option for the Scarborough Subway Extension, and also requested the TTC Board to continue to structure contracts in a way that preserves the ability to proceed with whichever procurement and delivery model is recommended.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX5.6>

## **Issue Background**

The largest design components of the SSE are the tunnel and stations. Tunnel design was approved by the Board in December. This report addresses the retention of station design consultants.

The budget for the SSE is based on 3 subway stations located at Lawrence, Scarborough Centre and Sheppard. The location of the stations will be confirmed through the current planning studies and the Environmental Assessment (EA) process, along with their respective ancillary facilities (e.g. bus terminal, Passenger Pick Up and Drop Off (PPUDO)). The EA process will also identify the preferred number of stations.

While the exact location and scope of each station is currently uncertain, proceeding with the station design consultant award at this time will enable the team to be in position to start design immediately, once there is confidence as to location. Work would only proceed on stations where the perceived risk of change due to further public/stakeholder feedback is limited. In advance, work plans will be developed, which can take 8-12 weeks for an assignment of this magnitude.

The recommended award is for the stations at Scarborough Centre and Sheppard. Lawrence, the third station, is to be designed by TTC Engineering. Having TTC design one of the stations will ensure that staff maintain expertise in this area.

Depending if it's an in-line or terminal station, the scope of each station can vary significantly. For example, a terminal station will have a tailtrack, crossover and typically a larger bus terminal. As the scope is used as the basis to determine the consultant fees, the fees can also vary significantly. Fees were developed using the budgeted scope for each station.

The two recommended consultant awards are based on their ranking in the evaluation, with the highest ranked consultant being recommended for the largest contract.

As noted, the scope and location for each station will be confirmed through the Environmental Assessment, which will also enable confirmation of the construction estimate. Changes in this estimate could lead to changes in the consultant fees. If necessary, subsequent reports will be submitted for Board approval.

It is noted that a procurement options analysis will be performed (e.g. design-build, design-bid-build), and for each consultant contract the TTC reserves the right, at its sole discretion, to amend the Scope of Work, as necessary, based on the determined procurement and delivery model, at no additional cost.

## **Comments**

A Request for Proposals (RFP) was publicly advertised on the MERX site as well as the TTC's web site as of January 16, 2015. Fifty-Four (54) companies downloaded copies of the RFP documents, with eight (8) proposals being received by the closing date of February 26, 2015. Nineteen (19) of the fifty-four (54) companies are included as prime, partners or subconsultants in the eight (8) proposals. Of the remaining thirty-five (35) companies, fourteen (14) provide services that do not fall within the scope of this contract (e.g. estimating, quantity surveying, geotechnical and landscape). Nine (9) companies elected to not participate in this requirement due to lack of sufficient staff or expertise for the scope of work, inability to find a suitable partner, or non-competitive rates due to the staff location.

## **Evaluation of the Proposal Submissions**

Submissions from the following companies were received for Station Design Services:

1. Arup Canada Inc.
2. AECOM Canada Ltd. (Team 1)
3. AECOM Canada Ltd. (Team 2)
4. Hatch Mott MacDonald Ltd.
5. HDR Corporation
6. MMM Group Limited
7. The Scarborough Group Associates
8. WSP Canada Inc.

An Evaluation Team consisting of three (3) members, two (2) representing the SSE Department and one (1) from Materials and Procurement Department evaluated the qualitative portion of the proposals in accordance with the criteria set out in the RFP and attached as Appendix A.

The recommendation for award is based on the highest total weighted score. The evaluation of proposals was based on a two envelope process and consisted of qualitative

and pricing components; 80 points were allocated to the qualitative merit and 20 points were allocated to the pricing.

The RFP stated that if a Proponent is providing more than one submission, it must propose separate teams for each submission, with different key staff, and that the evaluation would be based on the submission of separate Proposals. Further, any team member proposed on the design team of one submission could not be named as part of any other team.

Proposals were first scored jointly by the Evaluation Team based on qualitative criteria at the associated weightings, as set out in the RFP documents. It was pre-determined that proposals achieving a total minimum of 64 points out of the maximum 80 points available for the qualitative evaluation would be considered qualified. Final scores for the qualitative evaluation of proposal submissions were arrived at by consensus, whereby the following companies were considered qualified to perform the work: Arup Canada Inc., AECOM Canada Ltd. (Team 1), AECOM Canada Ltd. (Team 2), HDR Corporation and The Scarborough Group Associates.

Upon completion of the qualitative evaluation, the pricing component of all qualified proponents was evaluated utilizing the percentage dedication for the pre-defined key staff positions, as set out in the RFP documents for evaluation purposes only, to determine a composite hourly billing rate. The total weighted score was calculated as a sum of the weighted qualitative score and the weighted pricing score.

Upon completion of the evaluation process, the proposals submitted by AECOM Canada Ltd. (Team 1) and AECOM Canada Ltd. (Team 2) have the highest overall evaluated scores based on the stated evaluation criteria amongst compliant bids.

AECOM Canada Ltd. has satisfactorily performed work for the TTC in the past.

## **Contact**

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## **Attachments** - Appendix A

**APPENDIX A**  
**PROCUREMENT AUTHORIZATION**  
**STATION DESIGN SERVICES**  
**CONTRACT FE85-5**

**EVALUATION CRITERIA**

- A. Corporate Qualifications/Experience
- Number of years in business
  - Depth of available resources
  - Quality Management System ISO9001
  - Relevant corporate experience
- B. Staff Qualifications/Experience
- Number of years of experience
  - Number of years of direct experience
  - Technical qualifications
  - Relevant experience