



STAFF REPORT ACTION REQUIRED

Toronto-York Spadina Subway Extension - On-Call Miscellaneous Services – Procurement Authorization Amendment

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|--------------|-------------------------|
| Date: | October 16, 2017 |
| To: | TTC Board |
| From: | Chief Executive Officer |

Summary

This report requests the Board’s approval to amend Contract C13SB17600 – On-Call Miscellaneous Services to support the revised project delivery date of December 17, 2017.

This request for approval follows the recommendations endorsed by the Board at its meeting on January 21, 2016 as detailed in the report titled “Toronto-York Spadina Subway Extension Schedule and Budget Reset”.

Recommendations

It is recommended that the Board authorize:

1. Contract amendment to Black and McDonald Limited for Contract C13SB17600 – On-Call Miscellaneous Services, increasing the contract upset limit amount by \$10,000,000.00 bringing the total upset limit amount to \$15,000,000.00 and extending the contract expiry date to June 2018.

Financial Summary

Sufficient funds are included in the TTC’s 2017 – 2026 Capital Budget and Plan for the TYSSE project budget of \$3.184B as approved by the Board on November 21, 2016 and approved by City of Toronto Council on February 15, 2017.

Accessibility/Equity Matters

There are no accessibility or equity issues.

Decision History

The TTC is constructing an 8.6 km subway extension from the existing Downsview Station located in the City of Toronto, to the proposed Vaughan Corporate Centre located in the City of Vaughan, Region of York. The Toronto-York Spadina Subway Extension (TYSSE) will be an important part of both the TTC network and regional transit, improving transit in Toronto and the GTA.

Following a competitive bidding process to engage a company to assist them in achieving completion of the project works, it was determined that the original tender package could not be awarded as originally packaged. The package was split into two separate packages. On January 4, 2017, single source approval was sought and received by the CEO to retain the services of Black and McDonald Limited (B&M) to provide miscellaneous services to assist in the completion of works on the project, on an on-call basis.

At its meeting on January 21, 2016, the Board received the report entitled “Toronto-York Spadina Subway Extension – Schedule and Budget Reset,” and approved the recommended YYSSE schedule and budget changes, allowing funds to be made available to continue with support services required to complete the project.

https://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_meetings/2016/January_21/Reports/Board_Report_TYSSE_Schedule_and_Budget_Reset_2016-01-21_fina.pdf

Issue Background

The YYSSE project is approximately 97 percent complete. The Board has endorsed the recommendations outlined in the project reset, extending the project schedule to the end of 2017 and increasing the project budget. The proposed amendments are within the YYSSE project budget.

On-Call Miscellaneous Services

The specified work performed under this contract is released on a work order basis authorizing Black and Macdonald to complete various miscellaneous outstanding works in order to achieve the target revenue service date.

Addition of Security and Care and Maintenance Packages

Following the initial award of this contract, the scope has been expanded to include security and care and maintenance work related to the YYSSE stations. When requesting the original procurement authorization, this work was originally anticipated to be awarded under separate contracts. Subsequently, and owing to changes to the station contractor’s substantial performance dates, this work was determined to overlap with the on-call miscellaneous services and that it was commercially and logistically advantageous to incorporate the scope into a single source contract.

Assignment of Late Changes to Stations

Change order work related to the station finishes and incorporation of scope gaps not included in the station contracts which have arisen after the substantial performance dates on those contracts have been assigned to the On-Call Miscellaneous contract. This allows for timely completion of the balance of the works to maintain the project's schedule as well as keeping the major contractors focused on completing the core project scope. Furthermore, this is in alignment with the project commercial strategy of closing out the major contracts, allowing contractors to demobilize and mitigating potential delay claims arising from extension of time related to completing change order works. Black & Macdonald has demonstrated they can reliably complete these various change order works in a cost effective manner, and the intent is to continue to assign that scope to the On-Call Miscellaneous contract when appropriate.

Finch West Station

Due to the challenges of the Finch West Station contractor, certain remaining critical activities are proposed to be descoped from the station contractor BCCL and incorporated into the On-Call Miscellaneous Services contract. The proposed works to be added to the On-Call Miscellaneous Services contract include predominantly architectural finishes, cladding, signage and completion of deficiencies. These activities must be completed to obtain safety certification and an occupancy permit for the station. Black and Macdonald Limited are well suited to complete the work and are currently present at the Finch West Station site. Other works including mechanical finishing, electrical finishing and certain site works were previously descoped from BCCL and assigned to separate contractors. The completion of the Finch West Station is currently on the project's schedule critical path and is essential to meeting the TYSSE Revenue Service date.

Comments

The detailed breakdown of contract amendments to implement the cost details of the approved reset budget are summarized in the table below.

| Contract | Contractor | Award Value | Previous Amendments | This Amendment | Revised Contract Value |
|--|----------------------------------|----------------|---------------------|-----------------|------------------------|
| C13SB17600 On-Call Miscellaneous Services | Black and McDonald Limited | \$2,000,000.00 | \$3,000,000.00 | \$10,000,000.00 | \$15,000,000.00 |

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Staff report on Procurement Authorization Amendment to Contract C13SB17600 – On-Call
Miscellaneous Services