



## STAFF REPORT ACTION REQUIRED

### Toronto-York Spadina Subway Extension Procurement Authorization Amendments to Various TYSSE Consultant Contracts

<b>Date:</b>	February 25, 2016
<b>To:</b>	TTC Board
<b>From:</b>	Chief Executive Officer

#### Summary

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This report requests the Board's approval to amend three services contracts and six design contracts to support the revised project delivery date of December 31, 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

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It is recommended that the Board authorize:

1. Contract amendment to the SpadinaLink Project Managers for the Project Management Services Contract A85-69, increasing the contract upset limit amount by \$28,000,000 bringing the total upset limit amount to \$130,500,000 and extending the contract expiry date to December 31, 2017.
2. Contract amendment to Stantec Consulting Limited for Project Controls Services, Contract A85-70, increasing the contract upset limit amount by \$10,400,000 bringing the total upset limit amount to \$49,968,503 and extending the contract expiry date to December 31, 2017.
3. Contract amendment to Morrison Hershfield Ltd. for Construction Management Services, Contract A85-97, increasing the contract upset limit amount by \$14,700,000 bringing the total upset limit to \$88,100,000 and extending the contract expiry date to December 31, 2017.

4. Contract amendment to AECOM Canada Limited for the design of Sheppard West Station and North Tunnels, Contract A85-75F, increasing the contract upset limit by \$2,600,000 bringing the total upset limit to \$22,928,102.52 and extending the contract expiry date to December 31, 2017.
5. Contract amendment to AECOM Canada Limited for the design of Highway 407 Station, Contract A85-75D, increasing the contract upset limit by \$5,300,000 bringing the total upset limit to \$32,647,570 and extending the contract expiry date to December 31, 2017.
6. Contract amendment to Arup Canada Incorporated for the design of York University Station, Contract A85-75E increasing the contract upset limit by \$4,000,000 bringing the total upset limit to \$25,227,705 and extending the contract expiry date to December 31, 2017.
7. Contract amendment to Arup Canada Incorporated for the design of Vaughan Corporate Centre Station, Contract A85-75C increasing the contract upset limit by \$2,100,000 bringing the total upset limit to \$28,696,979 and extending the contract expiry date to December 31, 2017.
8. Contract amendment to The Spadina Group Associates (TSGA) for the design of Finch West Station, Contract A85-75B increasing the contract upset limit by \$4,000,000 bringing the total upset limit to \$33,222,595.31 and extending the contract expiry date to December 31, 2017.
9. Contract amendment to The Spadina Group Associates (TSGA) for the design of Steeles West Station, Contract A85-75A increasing the contract upset limit by \$6,400,000 bringing the total upset limit to \$45,296,688.59 and extending the contract expiry date to December 31, 2017.

## **Financial Summary**

TTC's 2016-2025 Capital Budget and Plan for the TYSSE project is \$2.784 billion as approved by the Board on November 23, 2015 and to be considered by City of Toronto Council on February 17/18, 2016. Sufficient funds are included in the revised TYSSE project budget of \$3.184 billion as approved by the Board on January 21, 2016 and will be considered by City of Toronto Council and The Regional Municipality of York to confirm funding the additional \$400 million.

To date, this project has committed to \$2.607B and \$2.213B has been spent.

## **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.

In March 2015, the Board authorized retaining a third party project management firm to deliver the project by the end of 2017 through a project reset. The project reset included re-establishing the baseline schedule to support the end of 2017 line opening, re-establishing cost, including the estimate on claims and reporting back to the Board by the end of 2015 and re-establishing contractor relationships by resolving some claims early and advancing the payment.

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 TYSSE 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](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 TYSSE project is currently approximately 80 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.

Accordingly, various service and design contracts require amendments to reflect the revised schedule and increase in the budget. The three service contracts and six design contracts noted below, which are the subject of this report, provide the following essential services to the project:

The Project was initially scheduled for completion in 2015, due to various circumstances it has now been extended to December 2017. Project management service contracts which include project controls, construction management and project management services account for approximately three quarters of the TYSSE workforce with a total of 177 individuals there are 27 TTC staff and 32 Bechtel staff. Project management services are required to enable TYSSE to deliver the project by end 2017.

1. Project Management Services Contract No. A85-69 (Spadina Link Services) consists of 64 consultant staff providing professional services necessary to deliver the project and are required until project closeout. While consideration for the project scale down has been accounted for, an anticipated monthly average cost associated with these services will be \$1.3M per month for 21 months. A list of professional services provided is illustrated below:
  - Project management;
  - Construction supervision;
  - Systems design and integration; and
  - Design management services.
  
2. Project Controls Services Contract No. A85-70 (Stantec Consulting Services Limited). This contract consists of 34 consultant staff providing project control deliverables such as the ones listed below until the completion of the project. With project scale down considered the monthly average costs associated with these will be approximately \$485K per month for 21 months.
  - Implementing and maintain integrated schedule and budget;
  - Performing cost control and 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; and
  - Facilitating a defined audit trail.
  
3. Construction Management Services Contract No. A85-97 (Morison Hershfield Ltd.) This contract consists of 79 consultant staff who provide the services listed below and are required until project completion. With the project scale down considered a monthly average the cost associated with these services will be approximately \$700K per month for 21 months.
  - Inspect, monitor and report on the contractor's daily activities;
  - Certify requests for contractor and supplier payments;
  - Certify substantial performance and contract completion;
  - Perform quality assurance audits;
  - Provide survey services;
  - Perform review, analysis and evaluation of contractor and third party claims;
  - Monitor and assist in monitoring construction safety to protect the public, construction personnel and property;
  - Provide construction management expertise; and
  - Provide construction methods.

#### 4. Six Design Contracts

There are six station design contracts, each are required to provide construction support services for the duration of construction. The construction contracts are at various stages in the completion process, therefore funding for each varies. Below are examples of the additional support required until construction completion. Accordingly, the estimated values for each contract is also illustrated in the chart also below.

- Additional support required to resolve RFI's and submittals
- Extend construction phase support services to substantial performance of construction contracts
- Provide increased site support to provide timely resolution on technical issues
- Require support meetings with various external stakeholders to respond to and resolve review comments and implement required changes, including SPA's
- Preparation of as-built drawings
- Facilitate required changes to accommodate new fare line system and collectors'' booths

#### Comments

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

Contract	Consultant	Award Value	Previous Amendments	This Amendment	Revised Contract Value
A85-69 – Project Management Services	SpadinaLink Project Managers	\$100,000,000	\$2,500,000	\$28,000,000	\$130,500,000.00
A85-70 – Project Control Services	Stantec Consulting Limited	\$30,000,000	\$9,568,503	\$10,400,000	\$49,968,503.00
A85-97 – Construction Management Services	Morrison Hershfield Ltd.	\$40,000,000	\$33,400,000	\$14,700,000	\$88,100,000.00
A85-75F Sheppard West Station	AECOM Canada Limited	\$8,000,000	\$12,328,102.52	\$2,600,000	\$22,928,102.52
A85-75D – 407 Station	AECOM Canada Limited	\$12,000,000	\$15,347,570.00	\$5,300,000	\$32,647,570.00
A85-75E – York University Station	Arup Canada Incorporated	\$11,000,000	\$10,227,705.00	\$4,000,000	\$25,227,705.00

A85-75C – Vaughan Corporate Centre Station	Arup Canada Incorporated	\$12,000,000	\$14,596,979.00	\$2,100,000	\$28,696,979.00
A85-75B – Finch West Station	TSGA	\$12,000,000	\$17,222,595.31	\$4,000,000	\$33,222,595.31
A85-75A – Steeles West Station	TSGA	\$15,000,000	\$23,896,688.59	\$6,400,000	\$45,296,688.59
TOTAL VALUE OF AMENDMENTS				\$77,500,000	

## Contact

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