



STAFF REPORT ACTION REQUIRED

Toronto-York Spadina Subway Extension Procurement Authorization Amendment to Construction Management Services Contract A85-97

Date:	May 18, 2017
To:	TTC Board
From:	Chief Executive Officer

Summary

This report requests the Board's approval to amend Contract A85-97 Construction Management Services 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

It is recommended that the Board authorize:

1. Contract amendment to Morrison Hershfield Ltd. for Construction Management Services, Contract A85-97, increasing the contract upset limit amount by \$4,110,000.00 bringing the total upset limit to \$92,210,000.00 and extending the contract expiry date to December 31, 2017.

Financial Summary

Sufficient funds are included in the revised 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.

To date, this project has committed to \$2.813B and \$2.492B 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, Regional Municipality 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

Issue Background

The TYSSE project is currently approximately 92 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 Project was initially scheduled for completion in 2015, however, 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 178 individuals. There are 21 TTC staff and 31 Bechtel staff. Project management services are required to enable TYSSE to deliver the project by end 2017.

1. Construction Management Services Contract No. A85-97 (Morrison Hershfield Ltd.)
This contract consists of 61 consultant staff who provide the services listed below and are required until project completion. With the project scale down considered, a monthly average cost associated with these services will be approximately \$700K.

- 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.

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
A85-97 – Construction Management Services	Morrison Hershfield Ltd.	\$40,000,000.00	\$48,100,000.00	\$ 4,110,000.00	\$92,210,000.00

Contact

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