

April 24, 2009

To: Executive Committee
From: Budget Committee
Subject: Procurement Authorization Kipling Station East Entrance Contract F7-25

Decision Advice and Other Information:

The Budget Committee:

1. forwarded the item to the Executive Committee without recommendation; and
2. requested the Deputy City Manager and Chief Financial Officer to meet with the General Manager of the Toronto Transit Commission regarding this matter prior to the meeting of Executive Committee and report directly to the Executive Committee if necessary.

Background:

The Budget Committee on April 24, 2009, considered the following:

- a. letter (April 7, 2009) from the General Secretary, Toronto Transit Commission, entitled "Procurement Authorization Kipling Station East Entrance Contract F7-25".
- b. letter (April 23, 2009) from the Chief General Manager, Toronto Transit Commission, reporting further.

for City Clerk

Merle MacDonald/mb

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April 7, 2009

Ms. Ulli Watkiss
City Clerk
City of Toronto
Toronto City Hall
100 Queen Street West
Toronto, Ontario
M5H 2N2

Dear Ms. Watkiss:

At its meeting on Friday April 3, 2009 the Commission considered the attached report entitled, "Procurement Authorization Kipling Station East Entrance Contract F7-25".

The Commission approved the Recommendation contained in the report, as listed below:

It is recommended that the Commission authorize the construction of the Kipling Station Improvement – East Entrance and Passenger Pick Up and Drop Off (PPUDO) Project by approving:

1. acceptance of the tender submitted by Bondfield Construction Company Limited in the amount \$8,708,750.00 for Contract F7-25, Kipling Station East Entrance;
2. additional project budget in the amount of \$1.2M due to cost increase in the project 3.9 Buildings Structures, Kipling Station Improvement – East Entrance and PPUDO increasing the project budget from \$10.8M to \$12.0M;
3. forwarding this report to the City via the City Budget Committee requesting additional budget and project cost approval in the amount of \$1.2M for City Project CTT130-Kipling Station Improvement – East Entrance and PPUDO bringing the total to \$12.0M, to be accommodated by an increase of \$1.2 million in the Unspecified Budget Reduction for which TTC staff will subsequently identify project reductions to accommodate this increase;
4. forwarding this report to Metrolinx and the Province and direct staff to pursue the Province for additional \$6.5M for full project funding.

The foregoing is forwarded to the City Budget Committee for consideration of the Commission's request embodied in Recommendation No. 3 above.

Sincerely,

ORIGINAL SIGNED BY

Vincent Rodo
General Secretary

1-11
Attachment

TORONTO TRANSIT COMMISSION REPORT NO.

MEETING DATE: April 3, 2009

SUBJECT: PROCUREMENT AUTHORIZATION
KIPLING STATION EAST ENTRANCE
CONTRACT F7-25

ACTION ITEM

RECOMMENDATION

It is recommended that the Commission authorize the construction of the Kipling Station Improvement – East Entrance and Passenger Pick Up and Drop Off (PPUDO) Project by approving:

- 1) Acceptance of the tender submitted by Bondfield Construction Company Limited in the amount \$8,708,750.00 for Contract F7-25, Kipling Station East Entrance;
- 2) Additional project budget in the amount of \$1.2M due to cost increase in the project 3.9 Buildings and Structures, Kipling Station Improvement – East Entrance and PPUDO increasing the project budget from \$10.8M to \$12.0M;
- 3) Forwarding this report to the City via the City Budget Committee requesting additional budget and project cost approval in the amount of \$1.2M for City Project CTT130-Kipling Station Improvement – East Entrance and PPUDO bringing the total to \$12.0M, to be accommodated by an increase of \$1.2 million in the Unspecified Budget Reduction for which TTC staff will subsequently identify project reductions to accommodate this increase;
- 4) Forwarding this report to Metrolinx and the Province and direct staff to pursue the Province for additional \$6.5M for full project funding.

FUNDING

Funds for this expenditure, in the amount of \$10.8M were included in Project 3.9 Buildings and Structures, under Kipling Station Improvements – East Entrance and PPUDO as set out on pages 855R-857R – Category Improvement of the TTC 2009-2013 Capital Program as approved by City Council on December 10, 2008. The current estimate is \$12.0M.

As part of the original approval of this interregional terminal project, the Province committed funding through GO Transit of \$30 million including a commitment to fund future cost increases. At that time, Mississauga Transit had also committed funding in the amount of \$5.5 million for their share of the terminal. Since that time, responsibility for the interregional terminal project has been transferred to GO Transit (August 2007) and now to Metrolinx (August 2008). In October 2008, Metrolinx advised the TTC to carry on with construction of the Kipling Station East Entrance and PPUDO Project to avoid unnecessary and costly delays. GO Transit, through purchase order 090163-0, has made the funding available for the project up to \$5.5 million and Provincial staff have to date indicated that is the extent of their existing funding approval. With the current project cost estimate of \$12.0M, a funding shortfall of \$6.5 million exists. Staff will continue to pursue the Province for full project funding. In the interim, staff recommend proceeding with the project while continuing to monitor capital projects in the 2009-2013 TTC Capital Program to identify under expenditures to accommodate this \$1.2 million cost increase. The additional funding requirement of \$1.2M will be reflected in the proposed 2010-2014 TTC Capital Program submission, noting that this additional funding is forecasted for expenditure in 2010.

BACKGROUND

Redevelopment of the Bloor-Islington lands at Islington Station, which have been declared surplus by the City, would not be feasible without the relocation of the regional bus facilities to a suitable new Regional Bus Terminal at Kipling Station. The relocation will also consolidate Mississauga Transit (MT) and GO Transit operations at Kipling Station. The scope of the Kipling Station improvements under the TTC is limited to the east side of the station and includes:

1. A new 29 vehicle PPUDO with 4 spot taxi stand and fully accessible automatic east entrance with elevated tunnel connection at the east end of the TTC bus terminal;
2. Modifications to the existing bus terminal with an additional bus bay and expansion of the bus lay-by area.

The new east entrance will provide an alternative entrance that is remote from the Regional Bus Terminal construction site, and allow staging flexibility for temporary closures of the existing PPUDO, should they be deemed necessary.

Additionally, the new east entrance will provide permanent convenient access to the subway for TTC patrons from the east side of the station serving the City-owned Westwood Theater lands, and the Essex/Parc Nuvo development immediately adjacent to Kipling Station.

The \$1.2M budget increase is attributable to a higher price than budgetted, and additional miscellaneous operations supplied equipment (transfer machine, token vending machines, benches etc.), corresponding increases to the Contract Change Allowance and additional site supervision to mitigate risks of revenue service interruption during construction.

DISCUSSION

The work of this contract, designated Contract F7-25, consists of the supply of all labour, equipment and materials to construct the east entrance building, the pedestrian bridge connection between the east entrance building and Kipling Station, the east PPUDO, the temporary commuter parking lot east of the PPUDO area and the required modifications to the existing Kipling Station Bus Terminal.

Specifications and drawings were prepared for Contract F7-25 and a Request for Tenders was posted on the Commission's website as of October 30, 2008. Thirty-four companies were issued copies of the tender documents, out of which five submitted tenders and are summarized in Appendix 'A'.

Bondfield Construction Company Limited submitted the lowest priced tender and did not state any exceptions or qualifications. Bondfield Construction Company Limited has satisfactorily completed work of a similar size and nature for the Commission in the past. Their tender is considered acceptable.

Torcom Construction Inc. submitted the second lowest priced tender and also did not state any exceptions or qualifications and their tender is considered acceptable.

EllisDon Corporation submitted the third lowest priced tender and also did not state any exceptions or qualifications and their tender is considered acceptable.

Based on a review of the Contractor's financial statements, it appears they have the financial capability to perform this contract.

The successful Tenderer will be required to execute a Performance Bond and Labour and Material Payment Bond each in the amount of 50% of the contract value.

JUSTIFICATION

The tender submitted by Bondfield Construction Company Limited is the lowest acceptable tender.

March 10, 2009
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Attachment – Appendix 'A'

APPENDIX 'A'

PROCUREMENT AUTHORIZATION KIPLING STATION EAST ENTRANCE CONTRACT F7-25

SUMMARY OF TENDERS

COMPANY	TENDERED PRICE
Bondfield Construction Company Limited *	\$8,708,750.00
Torcom Construction Inc.	\$9,690,000.00
EllisDon Corporation	\$9,837,000.00
Varcon Construction Corporation	\$9,912,499.00
Aplus General Contractors Corp.	\$10,840,000.00
Engineer's Estimate	\$8,300,000.00

* Recommended company