



PA10.3 Attachment 4

BOARD MEMORANDUM

2.1

TO: Lorne Persiko
FROM: Remy Iamonaco
SUBJECT: **Carpark No. 1 – 20 Charles Street
Proposed Addition of Two Parking Levels
Construction Award Contract**

FILE NO: 5001-43

DATE: December 9, 2015

AG	MINUTE
December 16/2015	15-199
Approved	

MEETING DATE: December 16, 2015

RECOMMENDATION:

To award the Construction Contract for the Proposed Addition of Two Parking Levels for Carpark No. 1 at 20 Charles Street to Harbridge & Cross Limited for the amount of \$11,722,000.00 plus \$15,000.00 for Delayed Award plus \$563,000.00 as contingency allowance being a sum total amount of \$12,300,000.00 plus HST.

To approve a potential Cost Premium for Late Construction Start, effective February 16, 2016 for a maximum amount of \$552,495.00 plus HST. (Allowance)

To approve a TTC Cost for staff and equipment for the amount of \$50,000.00 plus HST (Allowance)

BACKGROUND:

General

1. The Phase I construction for the above-grade five-level Carpark No. 1 at 20 Charles Street East provides 430 parking spaces.
2. The Phase I parking garage structure was built over a TTC subway structure. To avoid loading the TTC subway structure, the TPA garage was designed using structural steel framing with reinforced concrete slabs to facilitate spanning over the TTC structure. The caisson foundations and the superstructure were designed with a Phase II future provision to add two additional parking levels over the existing carpark garage.
3. The Board, under Minute No. 93-045, dated March 24, 1993 retained RJC as the Prime Consultant for the consulting services required for the Phase I work of building a five-level carpark. The carpark was constructed by Harbridge and Cross and opened on November 25th, 1996.
4. In 2008, TPA proposed to initiate the construction of Phase II. The additional two levels would provide 205 new parking spaces for a total of 635 parking spaces. The Board under Minute No. 09-032, dated March 25, 2009 retained RJC as the Prime Consultant for the consulting services required for the proposed two additional Parking Levels.
5. Subsequent to this approval, TPA reviewed the condition of the existing components of the parking facility. All of the components were noted to be from original construction (approximately 20 years old) and required repairs and/or replacement. Based on this requirement, TPA requested RJC to revise their original proposal to include repairs and/or replacement of the existing components in the final design package. The Board under

Minute No. 13-164, dated November 20, 2013 approved the revised consulting services.

6. Subsequent to this approval, TPA reviewed the condition and the future needs of the existing Retail Spaces, Building Streetscape and Façade, Stairwell Guards/Handrails, Public Washroom, Emergency Generator, Existing Boilers and all associated components. Similar to the previously identified scope of work, all of the components were noted to be from original construction (approximately 20 years old) and require modifications, repairs and/or replacement. Based on this requirement, TPA requested RJC to revise their amended proposal to include repairs and/or replacement of existing components in the final design package. The Board under Minute No. 14-052, dated April 30, 2014 approved the revised consulting services.
7. Throughout the design phase, ongoing discussions have taken place with TTC to obtain their approval for this project. TPA is still working with TTC to finalize the Site Plan Application, TTC Construction Agreement and subsequent Building Permit for this project.
8. To ensure a reasonable construction schedule with a forecasted potential two month construction delay along with a reasonable time for tendering, award and mobilization to meet a target completion date of December, 2016, a decision was made to tender this project in late September, 2015. To meet parking service requirements in the Bloor and Yonge neighborhood it is necessary that all construction on this project is completed and the expanded garage is re-opened prior to the closure of Carpark 15 for redevelopment.
9. On September, 30th, 2015, the completed Design Package was tendered by RJC to seven (7) general contractors with a closing date of October 28th, 2015. Three (3) Bid Documents were received and they are listed below in the ascending order without the HST:

	Contractor	Unoccupied Building Amount	Occupied Building Amount
1	Harbridge & Cross Limited	\$11,722,000	\$11,822,000
2	Kenaidan Contracting Ltd.	\$12,897,000	\$13,079,000
3	Eastern Construction Company Ltd	\$14,500,000	\$15,500,000

Consultant's Review of Tenders

10. The consultant's review of the Tenders dated December 8, 2015 is attached and self-explanatory. The summary of the review is as follows:
 - a. Eastern Construction Company Ltd. tender has many qualifications with most of them not acceptable to TPA and as such it is not being considered for further review:
 - b. Kenaidan Contracting Limited overall bid submission was similar to Harbridge and Cross for the most part however their Bid is the second lowest bid for both options and as such it is not being recommended for award.
 - c. Harbridge and Cross Limited is the low bidder for both options. H&C is suggesting a premium of \$100,000 if the work is to be carried out with the parking

structure opened to the public. This premium suggests that perhaps this is a mistake or they are aware of "opportunities" within the bid documents to make up the cost difference, which is well below market/industry expectations, with Change Orders that are unknown to us at this time. For this and other considerations, it is recommended to accept the lower cost and complete the project with the building closed to the public. This approach reduces the risk of the schedule being extended and the project not being completed by the closure of Carpark 15. It should also be noted that the open to the public option would still result with half the spaces not being available for the entire construction process.

Site Plan Approval, TTC Construction Agreement and Building Permit

11. Site Plan Approval

- a. A Notice of Approval Conditions for the Site Plan Control Application was issued by the City in April, 2011. Since then, all of the pre- approval conditions have been met with regard to the Site Plan Application in November, 2015. A formal agreement between the TPA and the City is in progress.
- b. The above was required in order to move the Building Permit application forward.

12. TTC Construction Agreement

- a. One of the requirements for the Building Permit application is a TTC Construction Agreement.
- b. In order to obtain a TTC Construction Agreement, a Level 2 – Technical Review was required from TTC. This technical review has recently provided the technical terms required for this Agreement. TTC has also provided the same terms to the Planning Department as part of the Site Plan Approval process. The majority of these terms relate to the existing TTC air-shafts located at the east and west elevations of the building.
- c. In November, 2015, these technical terms have been provided to Legal Services in order to finalize this agreement with TTC. This requirement is in progress.
- d. A signed TTC Construction Agreement will be required for the City to grant a Building Permit.

13. Building Permit

- a. In 2014, an application was made for a Building Permit.
- b. The City has completed their technical review of this Application and comments have been received in late November, 2015. Our consultant will be addressing all of the comments during the month of December, 2015.
- c. Once the comments have been addressed by our Consultant to the satisfaction of the Building Department and a signed TTC Construction Agreement has been achieved, the City will grant a Building Permit.
- d. We expect that this will be achieved by February 1, 2016.

Potential Construction Cost Premium

- a. In order to anticipate a potential delay in obtaining a Building Permit, a post-tender addendum in the form of a letter, dated November 17, 2015, was requested from Harbridge and Cross.

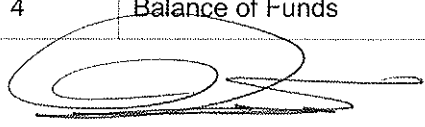
- b. This letter is included for the purpose of confirming the forecasted schedule contingency and defined "delayed start" costs.
- c. The start date for the work was specified to be no later than 60 calendar days after tender closing. This would be on December 27th, 2015.
- d. Since permission for an actual start date is as yet to be determined and will remain undetermined until a Building Permit is granted by the City, the cost premium submitted by the post-tender addendum are to be negotiated and resolved with Harbridge and Cross prior to Contract Award.
- e. The late start cost premium will be effective on February 16th, 2016.

Recommendation

14. Harbridge & Cross Ltd. constructed the existing 5 Level Parking Structure and we are confident of their capability to construct the proposed two Level addition. We recommend that the contract required for the above project be awarded to Harbridge & Cross Ltd.

FINANCIAL BACKGROUND

1	Funds available under 2015 Capital Budget		\$14,000,000
2	RJC Consulting Services		(\$908,000)
3	Construction		
a)	Harbridge & Cross Tender	\$11,722,000	
b)	Cost Premium for December 27, 2015 contract award	\$15,000	
c)	Contingency	\$563,000	
	Total	\$12,300,000	(\$12,300,000)
d)	Maximum Potential Cost Premium by Harbridge and Cross for Late Construction Start after February 15 th , 2016 to April 30 th , 2016. Charges will be billed on a daily basis within this period. (Allowance)	\$552,495	(\$552,495)
e)	TTC Costs staff and equipment (Allowance)	\$50,000	(\$50,000)
4	Balance of Funds		\$189,505


Remy Iamonaco
Attached:

Carpark No. 1 - 20 Charles St
Proposed Addition of Two Parking Levels
Tender Form A
Bid Comparison

Item	Description of Work	Unit	Harbridge & Cross		Kenaidan	
			Cost	Tender A Unoccupied	Cost	Tender A Unoccupied
1.1a	Base bid scope of work excluding scope of work of the below itemized prices	L.S.		\$ 11,019,000.00		\$ 12,210,500.00
1.1.1	straighten bent perforated architectural aluminum louver blades, re-weld blades to existing aluminum vertical framing. Replace blades if too damaged	L.S.		\$ 40,000.00		\$ 42,000.00
1.1.2	Textured concrete	L.S.		\$ 5,000.00		\$ 12,000.00
1.1.3	Remove and replace all existing doors as per Arch Drwgs	L.S.		\$ 3,000.00		\$ 19,000.00
1.1.4	Remove and replace all existing doors not mentioned in 2.1.3 hinges and hardware	L.S.		\$ 5,000.00		\$ 4,000.00
1.1.5	Plants, topsoil, geotextile fabric, 150mm clear gravel, rigid insulation, hot-applied waterproofing, stainless steel planter soffit, stainless steel planter wall for each of the 3 suspended above-grade planters.					
1.1.5a	Planter along grid line A between grid lines 2 and 2x	L.S.		\$ 13,000.00		\$ 10,500.00
1.1.5b	Planter along grid line A between grid lines 5 and 7	L.S.		\$ 13,000.00		\$ 10,500.00
1.1.5c	Planter along grid line E between grid lines 2 & 2x	L.S.		\$ 16,000.00		\$ 16,500.00
1.1.6	Replacement of railing assembly (metal mesh infills & support) P1-P5 stairwell No.2	L.S.		\$ 7,000.00		\$ 6,000.00
1.1.7	Cracking on the West elevation					
1.1.7a	Where there are lines of cracking, rake the mortar joint out 1/3 of their depth and infill with mortar to match adjacent mortar colour	L.S.	\$ -		\$ 15,000.00	
1.1.7b	Remove and replace portions of block and brick wall areas around the steel with more clearance-dimension	L.S.	\$ 15,000.00	\$ -		\$ 5,000.00
1.1.8	Supply and install green roof	L.S.		\$ 15,000.00		\$ 17,500.00
1.1.9	Existing fence at south retail area					
1.1.9a	Protect during construction and if damaged, repair to make good	L.S.	\$ 2,000.00		\$ 5,000.00	
1.1.9b	Remove and replace	L.S.	\$ -	\$ 4,000.00		\$ 5,000.00
1.1.10	Thick deck traffic topping on Level 5					
1.1.10a	Protect during construction and if damaged, repair to make good	L.S.	\$ 195,000.00		\$ 125,000.00	
1.1.10b	Remove and replace with new, including sealer	L.S.	\$ -	\$ 320,000.00		\$ 273,000.00
1.1.10c	Reseal thick deck traffic topping as per surface of existing asphalt and drawings and specifications	L.S.	\$ 195,000.00		\$ 57,000.00	
1.1.11	Textured precast base	L.S.		\$ 2,000.00		\$ 4,000.00
1.1.12	Alternate prices in lieu of base bid to provide elevator features					
1.1.12a	Rear counterweight, provide elevators with rear counterweights	L.S.	\$ -	\$ -	\$ -	

Carpark No. 1 - 20 Charles St
Proposed Addition of Two Parking Levels
Tender Form A
Bid Comparison

			Harbridge & Cross		Kenaidan	
Item	Description of Work	Unit	Cost	Tender A Unoccupied	Cost	Tender A Unoccupied
1.1.12b	Provide the front return panel in glass and locate the car station on the adjacent side wall	L.S.	\$ -	\$ -		excluded
1.1.13	Provide unit prices per existing window washing equipment	L.S.		\$ 5,000.00		\$ 1,500.00
1.1.14	TTC Vent Shaft (2) storey extension.	L.S.		\$ 55,000.00		\$ 60,000.00
1.1.15	Provide: materials, equipment & installation for sound attenuation TTC vent shaft	L.S.		\$ 200,000.00		\$ 200,000.00
TOTAL				\$ 11,722,000.00		\$ 12,897,000.00

December 08, 2015

Remy Iamonaco
V-P, Design, Construction, & Maintenance
Toronto Parking Authority
33 Queen Street East
Toronto, Ontario M5C 1R5

Dear Remy,

RE: Car Park 1 – Parkade Expansion
TPA # 5001 – 43

RJC No. TOR.011602.0020

We have received an electronic copy of the tenders which were submitted to the Toronto Parking Authority on 28, October 2015. We have also received Harbridge & Cross' November 17, 2015 Letter addressed to you. Below, please find our summary review. We would like to share the following with you for your consideration before The Toronto Parking Authority completes its review of the tenders and resolves its next course of action on this project.

The Base Bid tenders (without GST and with Itemized Prices) were as follows:

	Unoccupied Building	Occupied Building
Harbridge & Cross (H&C)	\$ 11,722,000.00	\$ 11,822,000.00
Kenaidan (KCL)	\$ 12,897,000.00	\$ 13,079,000.00
Eastern (EC)**	\$ 14,500,000.00	\$ 15,500,000.00

** Bid was submitted with many Qualifications and no Itemized Prices

Based on our review of the information included in the tender documents, we have summarized the bids as follows:

Harbridge & Cross (H&C) was the low bidder. For the two options of project execution : doing the project with the building closed; and open to the public; the difference between their two bids of \$11,722,000.00 and \$11,822,000.00 respectively was only \$ 100,000.00. Based on RJC's opinion and that of our cost consultant, Turner Townsend (report copy attached) , H&C is accommodating the premium to execute the project "Open to the Public" at well below market/industry expectations. RJC forecasts this premium cost as being between \$ 500,000 and \$1,000,000.00. The low evaluation of this premium at \$100,000 suggests that perhaps this



bidder has either made a mistake or they are aware of “opportunities” within the bid documents to make up the cost difference with Change Orders that are unknown to us at this time.

As per our meeting with you on October 28, 2015, and with you and Harbridge and Cross on November 9, 2015, we trust you understand the following:

- i) H&C Bid Form 00011 (Unoccupied Building) had the bid price text written out alphabetically as \$11,722,000 however the price written as \$ 11,722,600 in numbers governs; .
- ii) H&C Bid Form 00012 (Occupied Building) had the bid price text written out alphabetically as \$11,820,000 however the price written as \$ 11,822,000 in numbers governs;
- iii) H&C bid forms 00011, 00012, 00013, 00014 had discrepancies between them, however the dollar values govern where printed as numbers on the bid forms;
- iv) Atypical-non-industry standard itemized prices were submitted with this bid. Some of the proposed costs do not correspond with that of the Turner Townsend Cost Report. H&C Bid Forms 00013 (Unoccupied Building) and 00014 (Occupied Building) had prices that did not appear to reflect market costs. An Item that appeared too high was: 1.11; Items that appeared too low were : 1.1.3; 1.1.7a; and 1.1.12a;
- v) On H&C bid forms 00011, 00012, 00013, and 00014 the company seals were not apparent on our electronic pdf copies, but as you have confirmed those seals are on the originals;
- vi) H&C bid forms’ unit prices listed in 00013 and 00014 were identical. Executing most tasks for this project shall require a premium to be done in an occupied building as compared to an unoccupied building. Such a premium was not indicated as a cost difference between these itemized prices. We have reviewed this with you and you concur that the TPA prefers not to accept the higher cost and execute the project open, rather accept the lower cost and complete the project with the building closed to the public;
- vii) Although both the Building Permit and SPA have been applied for, at this time approval of these documents have not been granted by the City. The TPA forecasts that the resolution of the approval for these documents is pending in the next few weeks but it may take longer than the current bid review period. As such, a post-tender addendum in the form of the attached 15Nov17 Letter from H&C may be included as part of the contract documents. This letter may be included for the purpose of confirming the forecasted schedule contingency and defined “delayed-start” costs for starting and completing the work due to the “late” provision of a building permit. The start date for the work was specified to be no later than 60 days after tender closing. This would be on December 27th, 2015. Since permission from the City (with permit) for an actual start date is as yet to be determined and will remain undetermined until the issuance of the SPA and Building Permits, RJC recommended the TPA consider this as an item for negotiation and resolution with the preferred bidder prior to contract award. This negotiation between the TPA and H&C took place on November 10, 2015 in your office. The outcome of this meeting and subsequent discussions was that H&C is prepared to execute the project for a late start with some additional compensable costs. These terms are detailed in their letter dated November 17, 2015, attached.



Kenaidan's (KCL's) bid submission was similar to H&C's for the above comments iii) and iv). KCL had proposed a \$ 500,000 premium to complete the project as their difference between bid forms 00011 and 00012. This appears to be a reasonable amount. Although KCL's itemized prices are the same on forms 00013 and 00014, the above comment v) does not apply since KCL appears to be including the premium costs for these items in their lump sum bid. Our above comment vi) would apply to KCL's bid. If the TPA chooses to consider pursuing a contract with KCL, then similar to comment vii) above, RJC recommends that a negotiated agreement with revised start and end dates are resolved prior to contract award.

Eastern's bid submission had many qualifications, most of which we believe may not be acceptable to the TPA. Based on our conversation with you on October 28, the qualifications which we presume to be likely not acceptable to the TPA include but are not limited to the following:

- Project completion for either option (open or closed to public) is in 2017, many months after the specified date;
- No amendments to the CCDC 2008 doc;
- Full use of adjacent properties; permission and costs to be resolved by others;
- Air right access to adjacent properties to be resolved by others;
- Negotiations with TTC and any costs associated with their requirements; to be resolved by others
- Cash Allowances not included in bid

Based on your conversations with us on October 28, 2015, November 10, 2015, and through the weeks of November 9-13 and November 16-20, we believe that the above items are understood by the TPA and that the attached letter from H&C is understood and clear to the TPA.

Harbridge and Cross's bid was discussed in your office, in person with H&C on November 10, 2015, and again by phone through the weeks of November 9-13 and November 16-20. The outcome of those discussions has been summarized in H&C's attached letter of November 17, 2015. It is our understanding that the proposed additional costs from H&C are within the TPA's Budget and that they are reasonable in consideration of the revision to the project start date. As such, RJC recommends the project be pursued for the option "Closed to the Public" as per Bid Forms 00011 and 00013 and as per H&C's letter dated November 17, 2015.

Trusting that the above is clear and self-explanatory, however please do not hesitate to contact me if we can be of any further assistance or provide additional information or clarification.

Yours truly,

READ JONES CHRISTOFFERSEN LTD.

A handwritten signature in black ink, appearing to read 'Darren M. Wint', is positioned above the printed name.

Darren M. Wint,
P. Eng. M.A.Sc.
Associate