

# **Award of Ariba Document Number 4476450575 and RFP 24ECS-BE-01GA to Stantec Consulting Ltd. for Owner's Engineer Technical Advisory services for the Rehabilitation of the F.G. Gardiner Expressway, Section 4, from Grand Magazine Street to York Street**

**Date:** September 6, 2024

**To:** General Government Committee

**From:** Chief Engineer and Executive Director, Engineering and Construction Services and Chief Procurement Officer, Purchasing and Materials Management

**Wards:** Ward 10 (Spadina-Fort York)

## **SUMMARY**

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The purpose of this report is to advise of the results of Request for Proposals Ariba Document Number 4476450575 and RFP-24ECS-BE-01GA, for Owner's Engineer and Technical Advisory services for the rehabilitation of the F.G. Gardiner Expressway from Grand Magazine Street to York Street ("Gardiner Section 4") and request the authority to enter into an agreement with Stantec Consulting Ltd. in the amount of \$24,757,736.10 net of all taxes and charges (\$25,193,472.26 net of Harmonized Sales Tax recoveries). An additional \$5,000,000, for contingency allowance, net of all taxes and charges, (\$5,088,000 net of Harmonized Sales Tax recoveries) will be available to the Chief Engineer and Executive Director, Engineering and Construction Services for the project as may be required.

The F.G Gardiner Expressway has been in service for over 60 years and with the effects of weathering, salt, and increasing traffic loads, is approaching the end of its original design life. To address this state-of-good-repair challenge, a Strategic Rehabilitation Plan, consisting of six complex projects, was adopted by City Council in December 2016. Section 1 construction work was completed in 2021. Section 2 construction work is currently underway between Dufferin Street and Strachan Avenue.

The subject of this report is the selection of the Owner's Engineer and Technical Advisor for Gardiner Section 4, to rehabilitate the elevated section of the Expressway between Grand Magazine Street and York Street.

The scope of work for the Owner's Engineer and Technical Advisor for Gardiner Section 4 includes Planning, Preliminary Design, 30 percent Detail Design, Design-Build

Procurement, Contract Administration, Inspection, Testing, Post Construction and Warranty services. The Owner's Engineer and Technical Advisor services are anticipated to commence following award and be completed in 2030. It is noted that the assignment will include specific analysis of the planned work and development of measures that can be incorporated into the Design-Build procurement to address congestion and community impacts. These measures will, in part, be based on lessons learned from both Gardiner Section 1 and Gardiner Section 2 contracts.

The Owner's Engineer and Technical Advisor provides specialized knowledge and oversight to ensure that the project meets technical standards and specifications. The Owner's Engineer and Technical Advisor will play crucial roles in ensuring that the Gardiner Section 4 project is completed efficiently, safely, and to the required standards. Their involvement is required to manage the complexity of the project and contributes to its overall success.

## **RECOMMENDATIONS**

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The Chief Engineer and Executive Director, Engineering and Construction Services and the Chief Procurement Officer, Purchasing and Materials Management recommend that:

1. The General Government Committee, in accordance with Section 195-8.4A of the Toronto Municipal Code Chapter 195 (Purchasing By-Law), grant authority to the Chief Engineer and Executive Director, Engineering and Construction Services to enter into an agreement with Stantec Consulting Ltd., being the highest overall scoring Supplier meeting the requirements of Ariba Document Number 4476450575 to provide Owner's Engineer and Technical Advisor services for Gardiner Section 4, for a total amount of \$29,757,736.10 net of all applicable taxes (\$30,281,472.26 net of Harmonized Sales Tax recoveries), all in accordance with the terms and conditions as set out in the Request for Proposal and any other terms and conditions satisfactory to the Chief Engineer and Executive Director of Engineering and Construction Services and in a form satisfactory to the City Solicitor.

## **FINANCIAL IMPACT**

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The total value of the award for Request for Proposal RFP-24ECS-BE-01GA to Stantec Consulting Ltd., including a contingency amount of \$5,000,000, is \$29,757,736.10 net of all applicable taxes (\$30,281,472.26 net of Harmonized Sales Tax recoveries).

Funding is available within the 2024-2033 Capital Budget and Plan for Transportation Services, as summarized in Table 1 below (net of Harmonized Sales Tax recoveries).

**Table 1: Financial Impact Summary**

<b>WBS Element</b>	<b>Description</b>	<b>Year</b>	<b>Total (Net of Harmonized Sales Tax Recoveries)</b>
CTP122-08-45	F.G. Gardiner Rehabilitation	2024	\$400,000.00
CTP122-08-45	F.G. Gardiner Rehabilitation	2025	\$3,200,000.00
CTP122-08-45	F.G. Gardiner Rehabilitation	2026	\$3,481,472.26
CTP122-08-45	F.G. Gardiner Rehabilitation	2027	\$5,000,000.00
CTP122-08-45	F.G. Gardiner Rehabilitation	2028	\$6,000,000.00
CTP122-08-45	F.G. Gardiner Rehabilitation	2029	\$6,000,000.00
CTP122-08-45	F.G. Gardiner Rehabilitation	2030	\$6,200,000.00
<b>Total (Net of Harmonized Sales Tax Recoveries)</b>			<b>\$ 30,281,472.26</b>

On November 26, 2023, the Province of Ontario and City of Toronto announced a New Deal to help achieve long-term financial stability and sustainability for the City, which includes the upload of the F.G. Gardiner Expressway and Don Valley Parkway to the Province subject to a third-party due diligence assessment.

As part of the New Deal, a Transfer Payment Agreement has been established, under which the Province commits to fund the City's stated operating and capital budget requirements for the duration of the due diligence process, covering 2024 and 2025. Upon completion of the upload process and the assets being formally transferred, the Province will assume full responsibility for the ongoing costs and funding associated with these assets in subsequent years.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

## **DECISION HISTORY**

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At its meeting on December 13, 14 and 15, 2016, in consideration of the report on the New Implementation Approach for the F.G. Gardiner Expressway Revised Strategic Rehabilitation Plan, City Council (a) authorized the Executive Director, Engineering and Construction Services, to proceed with the new approach for the implementation of the

Revised Strategic Rehabilitation Plan for the F.G. Gardiner Expressway; (b) directed the General Manager, Transportation Services, to include the revised cash flows associated with the new approach to the implementation of the Revised Strategic Rehabilitation Plan for the F.G. Gardiner Expressway within the Transportation Services 2017- 2026 Capital Budget. The report provided the proposed phasing of the rehabilitation for the Gardiner Expressway based on the current structural condition of the Expressway, incorporated proven techniques for mitigating the anticipated traffic congestion associated with this scale of construction, and provided the necessary additional technical information required to fully assess project risks and opportunities to advance the construction of other projects within the work zone of the eastern section of the Gardiner Expressway as one integrated project. The Council decision can be found at: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.EX20.14>

## COMMENTS

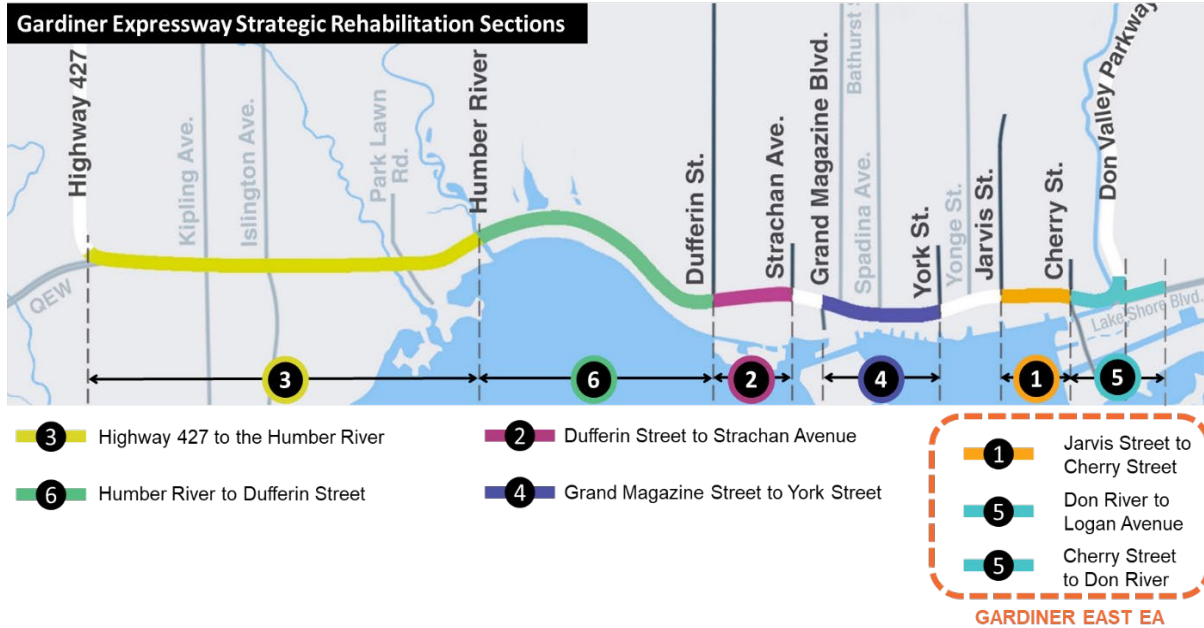
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### Background

The F.G. Gardiner Expressway is more than 60 years old and is undergoing critical rehabilitation as part of a Strategic Rehabilitation Plan adopted in December 2016. Drawing on detailed investigations and condition assessment data for both the at-grade and elevated sections of the Expressway, the Strategic Rehabilitation Plan consists of six separate complex projects. Gardiner Section 1, from Jarvis Street to Cherry Street was completed in 2021 and Gardiner Section 2, from Dufferin Street to Strachan Avenue, is currently under construction.

Figure 1 is a schematic diagram showing the six projects which are included in the Strategic Rehabilitation Plan. The contract award sought in this report is for Gardiner Section 4 – from Grand Magazine Street to York Street, Request for Proposals RFP-24ECS-BE-01GA.

**Figure 1: Gardiner Expressway Strategic Rehabilitation Plan Sections**



**Scope of Work for Request for Proposals RFP-24ECS-BE-01GA**

The Owner’s Engineer and Technical Advisory Services assignment for the Design-Build delivery of Gardiner Section 4 includes:

- Development and assessment of structural rehabilitation alternatives, including accelerated bridge rehabilitation methodologies.
- Noise and vibration assessment and monitoring to avoid or mitigate impacts to local community.
- Planning, Preliminary Design and 30 percent Detailed Design
- Public and Stakeholder Consultation and Communications
- Development of a Reference Concept Design, Design-Build Request for Qualifications, Design-Build Request for Proposals and a Project Agreement for the Design-Build contract.
- Design-Build Procurement Services
- Design-Build Contract Administration, Inspection and Testing Services
- Post Construction and Warranty Services

**Award of Ariba Document Number 4476450575**

A Request for Proposals, Ariba Document Number 4476450575, RFP-24ECS-BE-01GA, was issued to select a qualified Supplier for the project. The Request for Proposal was prepared by Engineering and Construction Services, Bridges and Expressways, Gardiner Rehabilitation Unit A, in consultation with Transportation Services, Legal Services, Toronto Water and Purchasing and Materials Management Division.

The Request for Proposal was advertised on Ariba on April 8, 2024, with a closing date of June 19, 2024, and an issuance of ten (10) addenda. The following three (3) Suppliers submitted proposals:

1. Jacobs Consultancy Canada Limited
2. Morrison Hershfield Limited (now Stantec Consulting Ltd.)
3. Parsons Incorporated

The Request for Proposals was structured as a "two-envelope" process and the submissions included a detailed Technical Proposal (Envelope 1) and a separate sealed envelope with a Cost of Services Proposal (Envelope 2). The selection process stipulated that the Cost of Services Proposals would not be opened until the evaluation of the Technical Proposals had been completed.

A formal evaluation team comprised of four (4) Engineering and Construction Services staff evaluated the three (3) proposals in accordance with the pre-established criteria outlined in the Request for Proposals. A minimum threshold score of 75-percent (525 out of 700 points) was required for Suppliers to proceed to have their cost proposal opened and evaluated.

Of the three (3) technical proposals submitted, all three (3) successfully passed the minimum threshold score of 75-percent, which allowed them to proceed to the cost of services evaluation. The cost proposals were scored and added to the technical proposal score, resulting in overall scores for the three (3) Suppliers ranging from 795.6 to 869.5 out of total 1000 points (79.56 percent to 86.95 percent).

On completion of the process, the proposal from Morrison Hershfield Limited (now Stantec Consulting Ltd.) was ranked first with the highest overall point score. Consequently, pursuant to the terms of the Request for Proposal, Stantec Consulting Ltd. (formerly Morrison Hershfield Limited) has been recommended for the award of RFP-24ECS-BE-01GA.

Following the review of the proposals submitted, and in accordance with the pre-established evaluation criteria outlined in Part 4 in the Request for Proposal, the selection committee concluded that the proposals submitted by Morrison Hershfield Limited (now Stantec Consulting Ltd.) satisfied the overall project requirements and demonstrated an appropriate level of effort for the proposed work. The Supplier's scores and staff analysis of the evaluation results can be provided to Councillors in an in-camera presentation if requested by members of Council.

The Fair Wage Office has reported that the recommended Supplier has indicated it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully with both.

Stantec Consulting Ltd. acquired Morrison Hershfield Group Inc. ("MHGI") pursuant to an Arrangement Agreement which was filed on February 9, 2024. Morrison Hershfield Limited, the Proponent in this Request for Proposal is a subsidiary of MHGI. Morrison Hershfield Limited was dissolved on July 26, 2024. Legal Services has reviewed the

corporate filings and is satisfied that Stantec Consulting Ltd. is the correct legal entity to execute the Agreement with the City.

## **CONTACT**

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## **SIGNATURE**

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Jennifer Graham Harkness, P.Eng.  
Chief Engineer and Executive Director, Engineering and Construction Services

Geneviève Sharkey  
Chief Procurement Officer, Purchasing and Materials Management

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