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SAVAGE ROAD VIVA STATION CONSTRUCTION

The Rapid Transit Public/Private Partnership Steering Committee recommends the adoption of the recommendations contained in the following report dated February 26, 2009, from the Vice-President, York Region Rapid Transit Corporation.

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize the Regional Chair and Clerk to execute a contract with Kiewit EllisDon for an amount that is consistent with the Owner's Engineer's estimate, subject to approval of the Owner's Engineer Cost Opinion Process for Projects under \$1,500,000, for the Savage Road Viva Station construction, in a form acceptable to staff and legal counsel.
2. In the event that Kiewit EllisDon's business proposal to undertake the work identified in the Final Design prepared by York Consortium 2002 is not deemed to be cost competitive, that Council authorize staff to immediately publicly tender the work through a Request for Proposal.

2. PURPOSE

This report seeks early authority to award and execute a contract with Kiewit EllisDon, subject to their price being cost-competitive, for construction of the Savage Road Viva Station.

3. BACKGROUND

York Consortium 2002 has completed the design of a new vivastation at Savage Road in Newmarket. Construction is expected to commence in the spring of 2009.

4. ANALYSIS AND OPTIONS

A Guaranteed Maximum Price for the Savage Road Vivastation will be received from Kiewit EllisDon in March

It is anticipated that Kiewit EllisDon, the York Consortium 2002 constructor, will present a proposal in March of 2009 to construct the Savage Road Vivastation. The proposal will be assessed within the terms of the Master Agreement and Go Forward Business Arrangements Agreement.

Savage Road Vivastation design-build falls within the terms of the Owner's Engineer Cost Opinion Evaluation Process

On June 19, 2008, Council approved the Owner's Engineer Cost Opinion Evaluation Process for design-build projects under \$1,500,000 for York Consortium 2002 proposals. This process facilitates evaluating and awarding contracts related to the York Rapid Transit Plan, for smaller scale standalone works for which York Consortium 2002 has right of first opportunity, as provided under the Going Forward Agreement.

The scope of work for the Savage Road Vivastation was defined by the Owner's Engineer and understood by York Consortium 2002. The budgetary cost estimate indicates that the work will fall within the \$1,500,000 threshold for the Owner's Engineer Cost Opinion Evaluation Process. The Owner's Engineer will complete a review of the Kiewit EllisDon bid proposal and assess any cost discrepancy through discussions and clarifications with Kiewit EllisDon. Based on the Owner's Engineer's cost opinion, either a contract will be awarded to Kiewit EllisDon for their bid price, or negotiations will commence with Kiewit EllisDon to determine a price acceptable to the Region.

Region may publicly tender the project if an acceptable price can not be achieved

If an acceptable price is not achieved with EllisDon, the Region may publicly tender the project through a Request for Proposals, subject to Council approval.

The Savage Road station is part of the later phase of rapidway construction

It is expected that the Savage Road station will serve the southern Newmarket community until at least 2013, and quite possibly longer, as funding for the segment of rapidway south of Mulock Drive is not anticipated in the first round of capital funding for York Region.

Since this station will be temporary in nature, albeit with several years service, the bus shelters used will be standard YRT shelters, with the existing YRT shelter remaining on the north west side of Yonge Street, and a matching shelter added on the east side.

5. FINANCIAL IMPLICATIONS

The anticipated construction cost for the Savage Road Vivastation, is included in the approved 2008 capital budget under the category of Phase I upgrades. It was originally contemplated that this project would be funded through debentures with annual principle and interest payments being paid from tax levy and development charges. However, debenture funding may no longer be appropriate given the short time span this will be in service, therefore, it may be more appropriate to fund this either through funding from the capital reserve or through a federal funding program if the project meets that eligibility criteria when it becomes known. Finance will follow this project and recommend an alternate funding source as further information becomes available.

While the stop is temporary in nature, it will remain in service at least until 2013 and likely beyond. However, costs will be minimized where possible and any equipment used at this location may be reused when the vivaNext rapidways are constructed, should an application remain for that equipment.

6. LOCAL MUNICIPAL IMPACT

Viva is being closely coordinated with local planning and economic development activities along the rapid transit corridors.

7. CONCLUSION

This report seeks approval to execute a contract with Kiewit EllisDon, subject to the successful completion of a cost confidence process in accordance with the Owner's Engineer Evaluation Process for Projects under \$1,500,000, for the Savage Road Viva Station construction. In the event that Kiewit EllisDon's business proposal to undertake the work identified in the Final Design prepared by York Consortium 2002 is not deemed to be cost competitive, staff are seeking authority to immediately publicly tender the work through a Request for Proposal.

For additional information, please contact Mary-Frances Turner, Vice-President, York Region Rapid Transit Corporation at (905) 886-6767 ext. 2226.

The Senior Management Group has reviewed this report.