

THE REGIONAL MUNICIPALITY OF YORK

Rapid Transit Public/Private Partnership Steering Committee

April 16, 2009

Report of the

Vice President of the York Region Rapid Transit Corporation

VIVANEXT

H3 CORRIDOR – RICHMOND HILL CENTRE TO MARKHAM CENTRE DESIGN-BUILD PROCUREMENT

1. RECOMMENDATIONS

It is recommended that:

1. Subject to staff determining in conjunction with the Owner's Engineer that York Consortium 2002's bid price is cost competitive and within budget, and subject to funding being obtained from the Provincial and/or Federal government(s), that York Consortium 2002 be retained to design and construct the Highway 7 (H3) Rapidway from the Richmond Hill Centre (Yonge Street) to Markham Centre (Warden Avenue).
2. Council authorize the Regional Chair and Clerk to execute a contract with York Consortium 2002 for such work in a form acceptable to staff and Legal Services.
3. The widening of Highway 7 between South Town Centre Boulevard and Verclaire Gate from four to six lanes be incorporated into this project and included in the bid price, and be subject to the same cost confidence and approval process as for the rapidway works.
4. In the event that York Consortium 2002's bid price to undertake either part of the work is not deemed to be cost competitive, that Council authorize staff to immediately publicly tender such work, subject to funding availability.
5. The Regional Chair and Clerk be authorized to enter into the necessary Agreement with the Province to secure funding for the Highway 7 (H3) work, subject to review by Legal Services as to form and content.
6. Staff report back to Council on the progress of the work on a regular basis.

2. PURPOSE

This report seeks approval for York Consortium 2002 (YC2002) to undertake final design and construction of Highway 7 (H3) work from Yonge Street to Warden Avenue (see Figure 1) and the construction of Highway 7 widening from 4 to 6 lanes from the terminus of the rapidway at Town Centre Boulevard to Verclaire Gate, through a design-build contract. The award of this work would be subject to the successful negotiation of a price for the work, which will be evaluated through a cost confidence process in conjunction with the Owner's Engineer, in such form as staff, the Owner's Engineer and legal counsel recommend.

This report also seeks authority for the Regional Chair and Clerk to enter into any necessary agreements with YC2002 to undertake such work, and the necessary provincial agreements to secure funding.

3. BACKGROUND

In June 2007, the Province announced an aggressive transportation investment program, MoveOntario 2020, which included the rapidway projects on Highway 7 from Richmond Hill Centre (Yonge Street) to Markham Centre (Kennedy Road), denoted the H3 segment.

On September 27, 2007, Council authorized the award of contract for preliminary engineering of the H3 rapidways to York Consortium 2002, following the successful completion of the cost confidence process in conjunction with the Owner's Engineer. The preliminary engineering work is now complete for the section from Yonge Street to Warden Avenue, and preparations are now underway to commence the procurement process for the design-build phase.

This segment will join the Markham Civic Mall segment of the H3 rapidway from Warden Avenue south of the IBM bridge to Birchmount Drive. Phase 1 underground civil works have been completed on that segment. Phase 2 works, including the Viva station canopy, final grading, base and surface works over the entire length of the Civic Mall and jug-handle west of Warden Avenue, is anticipated to begin in spring 2009, with completion of rapidway civil works by year end and completion of the station elements and canopy by spring 2010. The Markham Civic Mall segment of the H3 rapidway is the subject of a separate report on this agenda.

The remaining segment, from Birchmount Road to Kennedy Road, will be part of a later implementation program.

Figure 1
York Region Rapid Transit Network – vivaNext



4. ANALYSIS AND OPTIONS

Preliminary Engineering from Yonge Street to Warden Avenue is now complete

All preliminary engineering plans and supporting technical reports have been completed and delivered by York Consortium 2002 for this section of the H3 rapidway, and are undergoing final review by the Owner's Engineer. A detailed capital cost estimate is now being prepared.

The project generally includes:

- Rapidways on Highway 7 and South Town Centre Boulevard, except for a section of mixed traffic operation on Highway 7 between Bayview Avenue and Yonge Street. The section through the Highway 404/Highway 7 area includes a single bi-directional rapidway lane in the median due to the limited available span length of the existing Highway 404 bridge.
- Rapidways on dedicated alignment on the south side of Cedarland Drive and along the west side of Warden Avenue.
- VivaNext stations at major cross-street intersections.
- Improvements in access to the Richmond Hill Centre Terminal.
- Curbside bicycle lanes.
- Pedestrian facilities, median landscaping, streetscaping and placemaking in accordance with the vivaNext design standards.

The alignment of the rapidways adjacent to the IBM campus in Markham Centre have now been resolved

Discussions have been ongoing with IBM regarding the alignment of the rapidways along the IBM campus, and provisions for site access from Warden Avenue. An agreement has now been reached, which will align the rapidway adjacent to Warden Avenue and provide right-in and right-out turns at the IBM access road. This work will proceed as part of this design-build implementation.

Property acquisition has commenced

The property acquisition programme has commenced as authorized by Council on January 22, 2009. Appraisals are nearing completion and most property owners have now been contacted at least once to discuss the acquisition process and any issues. Property acquisition is anticipated to be complete to facilitate a late 2009 construction start.

Figure 2
Visualization of Rapidways on Highway 7



Construction is underway to the east of this section, from Warden Avenue to Birchmount Road

Construction commenced in November 2008 on the underground drainage and civil works for the rapidways between Warden Avenue and Birchmount Road, known as the Enterprise/Civic Mall segment. Final design and construction of the remaining works, including a vivaNext station east of Warden Avenue, surface works, and a jug-handle to provide access across the Warden Avenue intersection, is anticipated to commence shortly, and is the subject of a separate report.

The H3 rapidways will connect to this segment at the jug-handle.

The remaining segment from Birchmount Road to Kennedy Road is in the preliminary engineering phase

Preliminary engineering of the rapidways east of Birchmount Road is continuing. Discussion with the Town of Markham and the Toronto Region Conservation Authority regarding the interface of the rapidways with planned public park space and the crossing of a tributary of the Rouge River is ongoing. In addition, discussion with the Town of Markham, GO Transit and local developers regarding a multi-modal transportation hub where Viva interfaces with the Unionville GO Station are also ongoing.

This segment will be part of a later implementation phase.

The Region is completing final design of roadway widening on Highway 7, proposed to be included in the construction program

The Region's 10 Year Roads Construction Program currently schedules widening of Highway 7 from four to six lanes between the Rouge River and Warden Avenue in 2009, and between Warden Avenue and Sciberras Road in 2010. This roadway widening received Environmental Assessment Act approval as part of the Highway 7 Rapid Transit Corridor Environmental Assessment.

In September 2008, York Region Rapid Transit Corporation assumed responsibility from York Region Transportation Services for the widening of Highway 7 from Montgomery Crescent to South Town Centre Boulevard, to be constructed in conjunction with the rapidway works for this section. It is now proposed that the roadway widening under the rapidway implementation project be extended easterly from South Town Centre Boulevard to Verclaire Gate, a distance of 700 metres, as part of a single construction project. Of this 700 metre distance east of South Town Centre Boulevard, approximately 200 metres would need to be reconstructed as part of the rapidway work to accommodate the transition back to the existing cross-section in any event.

The key benefits of doing the roadway widening east of Town Centre Boulevard as part of the rapidway design-build project are to:

- Facilitate more efficient and effective project administration and coordination, and more flexibility in undertaking the work, through managing this as a single project rather than separate projects.
- Realize savings in labour, materials and equipment.
- Reduce overall public impact during construction by undertaking the work concurrently, thereby reducing the amount of time this section of Highway 7 is affected.

To facilitate the incorporation of this work, York Region Transportation Services will complete the final design work presently underway, and deliver 100% complete "issued for construction" drawings to York Region Rapid Transit Corporation. Roads

has allocated funds within the 2009 budget for this work, which would also be transferred to the York Region Rapid Transit Corporation.

The negotiation of a design-build contract will follow the process outlined in existing agreements

The Master Agreement and Go-Forward Business Arrangements Agreement provide guidance and direction on the process to be followed for negotiating and awarding work to York Consortium 2002 (YC2002) to ensure accountability, transparency and cost confidence.

The bid price submitted by YC2002 for this work, including the roadway widening from South Town Centre Boulevard to Verclaire Road, will be assessed within the terms of these agreements, in conjunction with the Owner's Engineer. Based on the Owner's Engineer's recommendation, either a contract will be awarded to YC2002 for their bid price, or negotiations will commence to determine a price acceptable to the Region. In the event that YC2002's bid price to undertake the work is not deemed to be cost competitive, the Region may proceed to publicly tender the project.

Depending on timing and the opportunity to achieve better cost savings through a larger project, staff may integrate the Enterprise Civic Mall civil works with the design-build bid contract for Highway 7 (H3) Rapidway from the Richmond Hill Centre (Yonge Street) to Markham Centre (Warden Avenue). On September 18, 2008, Council approved the award of the design-build contract to York Consortium 2002 for the Enterprise Civic Mall, provided YC2002's bid price was cost competitive and within budget. A guaranteed maximum price for the Enterprise Civic Mall has not been established.

Communications & Public Engagement

A communications strategy to support the construction programme is presently under development. In the meantime, the Community Liaison Specialist is continuing to engage affected property owners and the general public to answer questions and provide information on an as-needed basis.

5. FINANCIAL IMPLICATIONS

On November 28, 2008, Metrolinx announced their recommendation that implementation of vivaNext, including H3, be part of a five year rapid transit capital programme with construction commencing in 2009/10. The funds required to complete the property acquisitions for this project have been identified as part of vivaNext's budget submissions to Metrolinx.

Metrolinx and the Ministry of Transportation Ontario will be confirming eligibility of project components this spring. The extent to which land, beautification, and shelter/canopy elements, for example, are eligible for funding under MoveOntario 2020 will be defined when the policy is released. Offers tendered to land owners will be conditional on York Region approval and confirmation of funding eligibility by the Province. Should such confirmation not be forthcoming, staff will report back to Council for further direction at that time.

Project costs, as accounted for in the 2009 capital budget and 10-year capital forecast are provided in Table 1.

Table 1
H3 – Richmond Hill Centre to Markham Centre Budget

Project Component	2009 Budget	Project Total
Land, Final Design and Construction	\$50,868,000	\$348,492,000
Widening of Highway 7 between South Town Centre Boulevard and Verclaire Gate from four to six lanes	\$250,000	\$8,604,000

Of the expected \$77 million 2009/10 Provincial Budget allocation in 2009 for vivaNext, \$41.72 million was identified for this segment of rapidway. In addition to this amount, a total of \$8.6 million was provided for in the 2009 10-Year Capital Program for Roads, of which \$250,000 was specifically identified in the 2009 Capital budget. The project was scheduled for construction in 2010 and 2011.

6. LOCAL MUNICIPAL IMPACT

The benefits of constructing rapidways to take rapid transit vehicles out of mixed traffic will result in travel time savings for rapid transit passengers and truly put the “rapid” into the York Region rapid transit system.

Moving forward with implementation of the H3 segment will further confirm the public investment commitments that will help facilitate the development of the Richmond Hill Centre and Markham Centre as Urban Growth Centres in the context of the Provincial Growth Plan.

7. CONCLUSION

This report seeks authorization to award a design-build contract to York Consortium 2002 for construction of the H3 segment from Richmond Hill Centre (Yonge Street) to Markham Centre (Warden Avenue), including widening of Highway 7 from South Town Centre Boulevard to Verclaire Gate, provided that either their bid falls within the parameters established in the Master and Go-Forward Business Arrangements Agreements, or that staff are able to negotiate a satisfactory price for this work based on the recommendations of the Owner's Engineer. If this is not possible, this report recommends immediately tendering the work publicly.

A budget of \$50.9 million for the bus rapid transit components was provided for in the 2009 Capital programme for this project.

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.

Recommended by:

Approved for Submission:

Mary-Frances Turner, MCIP, RPP
Vice President,
York Region Rapid Transit Corporation

Bruce Macgregor
Chief Administrative Officer

April 2, 2009

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