

Clause 12 in Report No. 15 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on October 20, 2016.

12

The Administrative Centre Annex (ACA) Tender Award

Committee of the Whole recommends adoption of the following recommendation contained in the report dated October 13, 2016 from the Commissioner of Corporate Services:

1. Council receive this report for information.
- 

Report dated October 13, 2016 from the Commissioner of Corporate Services now follows:

1. Recommendation

It is recommended that this report be received for information.

2. Purpose

The purpose of this report is to provide Council with information regarding the outcome of the Administrative Centre Annex (ACA) Tender and to advise that the construction contract will be awarded to EllisDon Corporation, the lowest compliant bidder in the amount of \$172,084,354, excluding HST.

3. Background and Previous Council Directions

Constructing the Annex is recommended by the Accommodation Master Plan approved by Council in 2005

In 2005, York Region Council approved the Accommodation Master Plan (AMP) to meet its short and long term accommodation growth needs.

The Plan recommended establishing a Central Services Centre (Annex) in Newmarket, relocation of York Regional Police to a new headquarters, a new Public Health Office in Vaughan and establishing a South Services Centre. A

## The Administrative Centre Annex (ACA) Tender Award

business case further concluded that the Region would realize substantial cost saving through building its own facility rather than continuing to lease.

The Annex consolidates a number of public services in a Regional Centre and Corridor

The construction of the Annex will realize York Region's long-term plan to consolidate a variety of community, health and courts services into one central, fully-accessible, modern facility. Once complete in 2020, the Annex will offer a variety of public services, such as: Provincial Offences Act Courts, Ontario Works, Social Services, Public Health Clinics and Housing Services (relocated from 520 Cane Parkway, 22 Prospect Street, 62 Bayview Parkway, 194 Eagle Street, 55 Eagle Street, 1091 Gorham Street, the Tannery Mall at 465 Davis Drive, Gates of York at 17310 Yonge Street) and the York Small Business Enterprise Centre and Access York Customer Service (relocated from the Administrative Centre).

The Annex's location at the intersection of Yonge Street and Eagle Street aligns with the Town of Newmarket's Secondary Plan for increased density along Yonge Street and provides an exciting opportunity for the Region to show leadership in developing Regional Centres and Corridors.

Council provided direction to guide Annex's development

Council Dates	Council Direction
<a href="#">September 2005</a>	<ul style="list-style-type: none"><li>• Approved the Accommodation Master Plan prepared by SNC Lavalin Profac Inc.</li></ul>
<a href="#">March 2009</a>	<ul style="list-style-type: none"><li>• Issued Request for Proposal (RFP) to retain an architectural firm for project design</li><li>• Reviewed options for consolidating the two existing Regional Court facilities located in Newmarket and Richmond Hill</li></ul>
<a href="#">June 2009</a>	<ul style="list-style-type: none"><li>• Approved the consolidation of the Provincial Offences Act Courts at the Tannery Mall with any future courts that may be built in Newmarket, which was incorporated into the Annex scope</li></ul>
<a href="#">March 2010</a>	<ul style="list-style-type: none"><li>• Authorized the award of the design contract to WZMH Architects</li><li>• Directed staff to report back with design concepts, complete with cost estimates</li></ul>

The Administrative Centre Annex (ACA) Tender Award

Council Dates	Council Direction
<a href="#">February 2012</a>	<ul style="list-style-type: none"> <li>• Selected the design option (approximately 422,000 square feet) which would accommodate future staff growth for up to 20 years</li> <li>• Approved business case and the estimated project budget</li> </ul>
<a href="#">October 2013</a>	<ul style="list-style-type: none"> <li>• Approved updated project budget of \$212.8 million excluding HST</li> <li>• Authorized staff to issue the project tender in 2016</li> <li>• Authorized the Commissioner of Corporate Services to award the contract(s) to the lowest compliant bidder(s) as well as negotiate, amend and execute any agreement or documents necessary to complete the project, subject to review of Legal Services</li> </ul>
<a href="#">February 2015</a>	<ul style="list-style-type: none"> <li>• Reaffirmed commitment to proceed with the consolidated Administrative Centre Annex building at Yonge Street and Eagle Street in Newmarket</li> </ul>

The Annex is designed to be energy efficient and accessible

The design of the Annex is based on a typical 40,000 square foot floor plate, which is efficient for office layouts. Consequently, it is a highly cost effective option per square foot.

The Administrative Centre Annex design incorporates environmentally sustainable features and aims to achieve “Silver” certification with “Leadership in Energy Efficient Design (LEED).”

Accessibility for Ontarians with Disabilities Act (AODA) standards have been incorporated into the design of the Annex. The Accessibility Advisory Committee (AAC) reviewed the design in [August 2014](#) and [September 2015](#). Several of their recommendations were incorporated enhancing the accessibility beyond AODA standards.

Project risks have been identified and mitigated

In October 2015, staff conducted a pre-qualification process for General, Mechanical and Electrical Contractors. Four General Contractors, three Electrical Contractors and four Mechanical Contractors were pre-qualified. All four pre-

## The Administrative Centre Annex (ACA) Tender Award

qualified General Contractors demonstrated that they have successfully completed projects similar to the Annex in both size and scope.

The pre-qualified General Contractors were:

1. PCL Constructors Canada Inc.
2. Bird Construction Group
3. EllisDon Corporation
4. Turner-Eastern York Annex Joint Venture

The Annex's external Project Manager, AECOM, reviewed all of the drawings for completeness and their requested revisions were incorporated into the Contract documents.

A construction cost consultant, A.W. Hooker was retained to provide cost estimates at various project phases. The pre-tender cost estimate was in line with tender results.

A leading Project Management Consultant, Colliers Project Leaders (Colliers), was retained to assess the project's risk exposure, provide risk mitigation options and conduct a tender document review from the bidding contractor's perspective. The consultant team reviewed all of their comments and incorporated them in the tender documents.

Annex is currently scheduled to be completed in 2020

The construction of the Annex is scheduled to last approximately 36 months, starting in early 2017 and completing in early 2020.

A new west parking lot, which is one of the Annex's permanent parking lots, is being "pre-built" to replace the existing south parking lot. The existing south parking lot falls within the Annex building's footprint, and will cease to exist upon the commencement of construction activities. Work on the west parking lot commenced in August 2016 and will be completed in November 2016.

#### 4. Analysis and Implications

The tendering process has been successfully completed

A Request for Tender (T-16-02) for retaining construction services of the York Region Administrative Centre Annex was released by Supplies and Services to the pre-qualified contractors on June 24, 2016, and closed on September 23, 2016.

## The Administrative Centre Annex (ACA) Tender Award

One of the contractors withdrew from the process due to other project commitments. At closing, three bids were submitted with qualifications. In accordance with Regional Bylaw 2014-53, qualified bids are deemed non-compliant. After negotiations with staff, EllisDon Corporation, the lowest non-compliant bidder removed their qualifications from their bid, and became the lowest compliant bid, at \$172,084,354 excluding HST.

A summary of the submitted bids is provided in Table 1.

**Table 1**  
**Submitted Bids**

Company Name	Bid Value excluding HST
EllisDon Corporation	\$ 172,084,354
PCL Constructors Canada Inc.	\$ 180,029,000 (non-compliant)
Turner-Eastern York Annex Joint Venture	\$ 192,279,879 (non-compliant)
Bird Construction	Not Applicable (declined to bid)

The Commissioner of Corporate Services as authorized by Council on October 17, 2013, will award the contract to EllisDon Corporation, and will continue to negotiate, amend and execute any agreements or documents to complete the project, subject to review by Legal Services.

### 5. Financial Implications

The overall project cost of the Administrative Centre Annex is within the approved budget of \$212.8 million (excluding HST)

In October 2013, Council approved an overall project budget of \$212.8 million excluding HST. A total of \$12,071,000 excluding HST has been spent to date, predominantly on design services and acquiring the necessary permits.

In awarding the contract to EllisDon Corporation, the lowest compliant bidder, the total cost to complete the project remains at \$212.8 million excluding HST.

A summary of the project costs are provided in Table 2.

**Table 2**  
**Project Costs**

Categories	Value excluding HST
Annex construction costs (based on the lowest compliant bid)	\$172,084,354
Construction costs of other supporting projects including the Culvert and West Parking Lot	\$ 1,934,150
Consultant, permit fees and internal costs	\$ 31,225,132
Other project cost provisions	\$ 7,556,364
Total	\$ 212,800,000

This project is funded from the Debt Reduction Reserve.

## 6. Local Municipal Impact

The Annex will provide improved access to public services

The Annex will be located next to the Administrative Centre and along a major transit corridor and roadway. The development aligned with the Town of Newmarket's Secondary Plan for increased density along Yonge Street. Centralizing Regional facilities would provide improved local access to services.

Low Impact Design features have been included in the design

The Annex incorporated Low Impact Design (LID) features which improve storm water management capability of the flood plain to alleviate flooding impact on adjacent neighbourhoods. The proposed system has been reviewed in-depth and approved by Lake Simcoe Region Conservation Authority (LSRCA), the Town of Newmarket and the Ministry of the Environment and Climate Change.

Staff engaged the Public and the Town of Newmarket through regular project communications

In August 2014, Regional staff hosted a Public Information Session at the Administrative Centre to provide project updates to the local community. Project consultants were present to provide merit and details of the design.

Another Public Information Session is planned to take place in November 2016 to provide updates of construction activities around the vicinity of the Yonge Street

## The Administrative Centre Annex (ACA) Tender Award

and Eagle Street intersection. This will include the Annex, the rapid transit along Yonge Street and other adjacent development.

Regular and frequent coordination meetings are being held between Regional staff, York Region Rapid Transit Corporation (YRRTC) staff and the Town of Newmarket staff to coordinate and mitigate construction impacts to the community.

The Region's website [www.york.ca/annex](http://www.york.ca/annex) will be updated continuously with project and progress information. Access York has been equipped with "Frequently Asked Questions and Answers" to expedite response to enquiries concerning the project. Corporate Services has assigned a dedicated resource for project communication to engage the support of the community, Regional and local Councillors.

### 7. Conclusion

In 2005, Council approved the Accommodation Master Plan which recommended the construction of the Annex to manage long term growth needs.

Since the project started in 2005, staff have reported to Council at various stages of progress and received Council's directions to proceed. Project risks have been identified and mitigated.

Tendering has been successfully completed with three pre-qualified bidders participating. Based on the lowest compliant bid submitted by EllisDon Corporation, the overall project cost is within the Council approved budget of \$212.8 million excluding HST.

The Commissioner of Corporate Services will proceed to award the contract to EllisDon Corporation, the lowest compliant bidder.

For more information on this report, please contact Michael Shatil, Director, Property Services Branch, at ext. 71684.

The Senior Management Group has reviewed this report. October 13, 2016

7042640

Accessible formats or communication supports are available upon request