

**To:** York Region Rapid Transit Corporation Board of Directors

**From:** Mary-Frances Turner, President

**Subject:** VivaNext Yonge Street Rapidway Project  
Award of Contract to Design-BUILDER

**Ref:** YORK-#5388242

## Recommendations

It is recommended that:

1. The Board endorse the award of contract to the successful proponent under request for proposals RFP-13-002-RT to secure a design-builder to design and build a rapidway along three corridor segments on Yonge Street from Highway 7 in Richmond Hill north along Yonge Street to Davis Drive in Newmarket.

## Purpose

The purpose of this report is to:

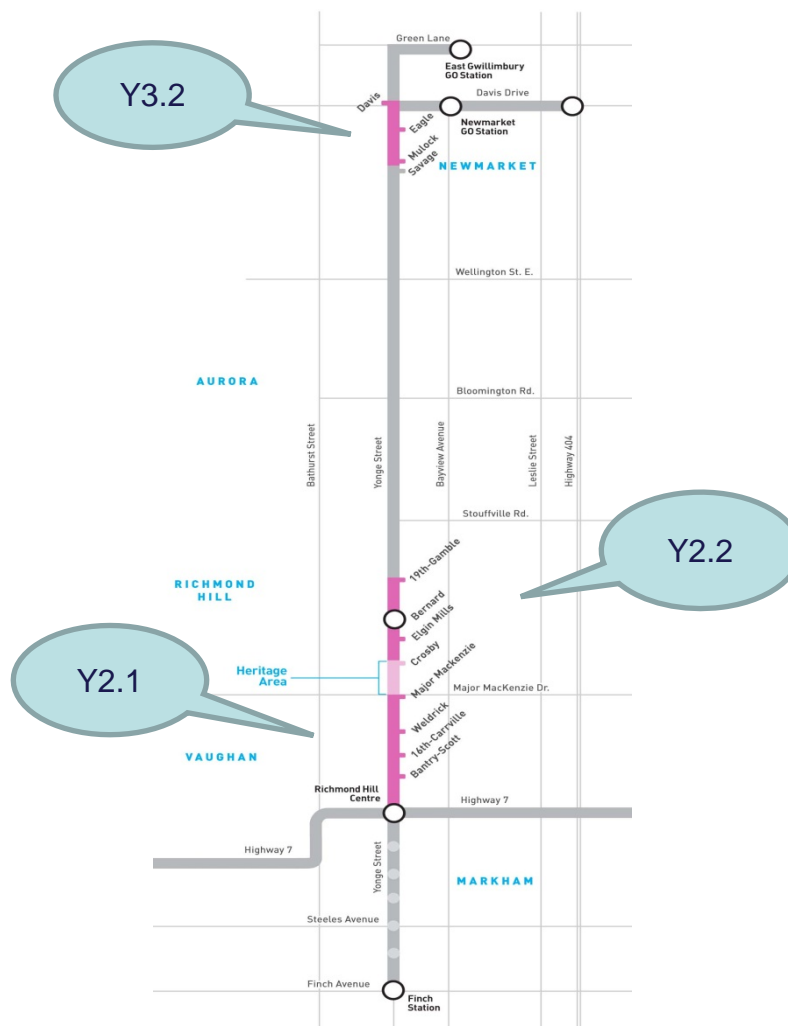
- Confirm the Board's endorsement to the award of contract under RFP-13-002-RT.
- Report to the Board on the outcome of the request for proposals RFP-13-002-RT of the procurement process to secure a design-builder to design and build a rapidway along three discrete segments on Yonge Street in the Towns of Richmond Hill and Newmarket.

## Background

***The Yonge Street Rapidway Project consists of the design and construction of rapidways along three discrete segments on Yonge Street***

- The following three segments along Yonge Street collectively comprise the “Yonge Street Rapidway Project” or the “Project” (Attachment One):
  - Y2.1 – Yonge Street from Highway 7 to Major Mackenzie Drive in Richmond Hill
  - Y2.2 - Yonge Street from Levendale Road to 19<sup>th</sup> Avenue/Gamble Road in Richmond Hill
  - Y3.2 - Yonge Street from south of Savage Road/Sawmill Valley Drive to north of the Davis Drive intersection in Newmarket

**The Project segments are depicted on the following vivaNext network map:**



***In the Fall of 2012, Metrolinx directed YRRTC to develop a design-build procurement process for the Project based upon industry best practices***

- York Region Rapid Transit Corporation, as project manager under the Master Agreement, is responsible for the procurement and delivery of York Region rapid transit projects.
- The procurement process developed for the Project comprises a two stage process. The first stage comprises the request for qualifications stage. The second stage, being the request for proposals stage, invites the pre-qualified respondents to submit proposals to the request for proposals.

***In January 2013 the Board approved the new procurement process to procure a design-builder for the Yonge Street Rapidway Project***

- At the YRRTC Board meeting held on January 10, 2013 the Board approved the procurement process for the Project (see Approval of Procurement Process for the VivaNext Yonge Street Rapidway Project Report dated December 14, 2012).
- Staff provided periodic verbal updates to the Board about the progress of the procurement process and the timelines throughout 2013 and to the current date.

***The request for qualifications to pre-qualify respondents closed on March 14, 2013. Three teams were pre-qualified and invited to participate in the request for proposals***

- Staff reported to the Board on the outcome of the request for qualifications at the YRRTC Board meeting held on June 13, 2013 (see VivaNext Yonge Street Rapidway Project – Update on the RFQ Procurement Process).
- All three respondents under the request for qualifications were pre-qualified to advance to the request for proposals stage. The three pre-qualified proponents are as follows:
  - York RapidLINK Constructors (comprising corporate team members – Aecon Construction and Materials Limited, Dufferin Construction Company, Hatch Mott MacDonald Ltd.; Morrison Hershfield Limited, and Leigh Fisher Canada Inc.)
  - EDCO (comprising corporate team members – EllisDon Corporation, IBI Group, LEA Consulting Ltd., Coco Paving Inc. and Plant Group Inc.)
  - moveYONGE Transit Partners (comprising corporate team members – Miller Paving Ltd.; AECOM Canada Ltd., Delcan Corporation, OHL Canada Ltd., and Collier Management Consulting; and

***On July 25, 2013 YRRTC issued the request for proposals inviting the three pre-qualified proponents to submit proposals***

- RFP-13-002-RT was issued on July 25, 2013. The request for proposals separated the technical submission close from the financial close. Those proponents who had submitted compliant technical proposals were invited to submit price proposals. The contract was awarded to the proponent whose price proposal was lowest.

***Commercially confidential meetings were held with each proponent to discuss the Project design and technical requirements during September and October 2013***

- The procurement process included meetings between YRRTC and each proponent to discuss on a confidential basis the Project design and technical requirements (“design meetings”). Given the complexity of large design-build infrastructure projects, the design meetings afforded each proponent the opportunity to clarify the design and technical requirements.
- Through a written request for information (RFI) process proponents could seek binding written confirmation from YRRTC with respect to their questions raised in the design meetings concerning the Project requirements.
- In September and October, 2013, YRRTC held three design meetings with each proponent.

***Commercially confidential meetings to discuss the draft design-build agreement were held with each proponent during October and November, 2013***

- The procurement process also allowed each proponent to submit written comments regarding the draft design-build agreement. Each proponent and YRRTC then met to discuss in confidence the proponent’s written comments (“design-build agreement meetings”).
- In October and November, 2013, YRRTC held two design-build agreement meetings with each proponent.
- Based upon the dialogue from the design-build agreement meetings, refinements were made to the draft design-build agreement.
- On February 21, 2014 the final form of the design-build agreement was issued to the proponents.

***Corporate team member of one proponent substituted by another corporation***

- Shortly after the technical submission closing date on December 17, 2013 and prior to the date for re-submission of the technical proposal, moveYONGE Transit Partners requested a substitution of its corporate team member, Peter Kiewit Infrastructure Co. (Kiewit), with OHL Canada Ltd.
- The procurement process allowed for substitutions of corporate team members upon written request and so long as the substituted team member was at least equivalent as evaluated by YRRTC.

The evaluation of OHL Canada Ltd. took place in January 2014. The evaluation team found that OHL Canada Ltd. possessed expertise and experience at least equivalent to the pre-qualified Kiewit corporate team member and therefore the substitution was approved.

## Analysis

***The date for submission of the technical proposals closed on December 17, 2013***

- All three proponents submitted technical proposals to the RFP on the technical proposal closing date of December 17, 2013. The completeness team comprised of the Region's Supplies and Services purchasing representative and the YRRTC process lead confirmed the completeness of each proponent's technical proposal. Each proposal was then disseminated to technical reviewers from the YRRTC Owner's Engineer and from YRRTC and Regional staff to be reviewed for compliance with the Project requirements. When required, the technical reviewers sought clarification through the request for clarification (RFC) process.

***The request for clarification (RFC) process commenced immediately following the technical proposal closing date***

- The RFC process afforded YRRTC the opportunity to clarify the information submitted by the proponents in their technical proposals. In this Project, the technical proposals consisted of 23 distinct technical submissions (TSs) including for example, TS-1 (design and aesthetic requirements), TS-12 (utility relocation strategy), TS-14 (project construction, property and utility schedule) and TS-18 (traffic management plan). The RFC process was designed to ensure that each proponent understands the Project requirements and that each TS is compliant with the Project requirements.
- The RFC process closed on February 21, 2014.

***The date for submission of the revised technical proposals was February 27, 2014***

- Following the close of the RFC process, each proponent submitted revised TSs black-lining the changes made to their original technical proposal.
- The technical reviewers reviewed the revised TSs and found them to be compliant with the revisions requested during the RFC process.
- The technical reviewers presented their findings to the management evaluation team in early March 2014. The management evaluation team, comprised of representatives from YRRTC, the Region, and Metrolinx were responsible for determining whether or not the proponent's technical proposal, as revised by the RFC process, was generally compliant with the Project requirements. The majority of the management evaluation team from the request for qualifications stage comprised the RFP management evaluation team.

***Each proponent's revised technical proposals were found to be compliant and each proponent was invited to submit a price proposal by the price proposal closing date of March 20, 2014***

- Having completed the evaluation of the revised technical proposals and finding them to be compliant with the Project requirements, on March 6, 2014, YRRTC invited each of the three proponents to submit price proposals.
- The closing date for submission of the price proposals was March 20, 2014.
- A financial evaluation team, comprised of representatives from YRRTC's Finance Team, reviewed the documents accompanying the submission of the price proposal, such as the letter of credit and letter respecting no material adverse change. The financial review concluded that each proponent had complied with the RFP requirements in this respect.
- Following the completeness team's confirmation that the price proposal submissions were complete, the price envelopes from each of the three proponents were opened.
- As previously stated, the proponent submitting the lowest priced compliant proposal for the Project would be awarded the contract. The three proposals submitted to the RFP are set forth in Table 1 below:

**Table 1  
Proposal Evaluation Results**

No.	Proponent	Technical Proposal (Compliant/Non-compliant)	Total Price (Exclusive of taxes)
1.	York RapidLINK Constructors	Compliant	\$260,465,000
2.	EDCO	Compliant	\$294,665,976
3.	moveYONGE Transit Partners	Compliant	\$365,686,090

***The preferred proponent was the proponent having the lowest priced compliant proposal***

- York RapidLINK Constructors submitted the lowest priced proposal and under the procurement process is the preferred proponent under RFP-13-002-RT.

***The award of this contract requires Metrolinx's approval***

- The Metrolinx Board must approve contracts that have a value exceeding \$10,000,000.
- There is a companion report of the Chief Administrative Officer to this report to be heard by Regional Council on April 17, 2014. At that meeting, authority is being sought for the Region to enter into the design-build agreement and limited notice to proceed agreement for the Project.
- At that meeting, the YRRTC President will confirm that she has received written notification from Metrolinx to award this contract, along with the authorized contract change allowance (contingencies).
- This design-build agreement will be managed by YRRTC in accordance with its responsibilities under the Rapid Transit Agreement with the Region.

## Financial

- The capital costs associated with the Yonge Street Rapidway Project are borne by Metrolinx under the \$1.755 billion MoveOntario Provincial funding program. The Limited Notice to Proceed Agreement will enable the successful proponent to commence work under the Project in accordance with the limited scope of work provided in that agreement, up to the financial cap of \$15 million. Once the Project is built, the Region will have responsibilities regarding operations and maintenance of the rapidway under the Access and Operating Agreement entered into between the Region and Metrolinx on August 16, 2013.

## Conclusion

- The design-builder for the vivaNext Yonge Street Rapidway Project has been secured following a competitive request for proposals process issued by York Region Rapid Transit Corporation on behalf of the Region and Metrolinx.

For more information on this report, please contact Janis Ingram, Senior Counsel, York Region Rapid Transit Corporation at 905-886-6767, Ext. 71045.

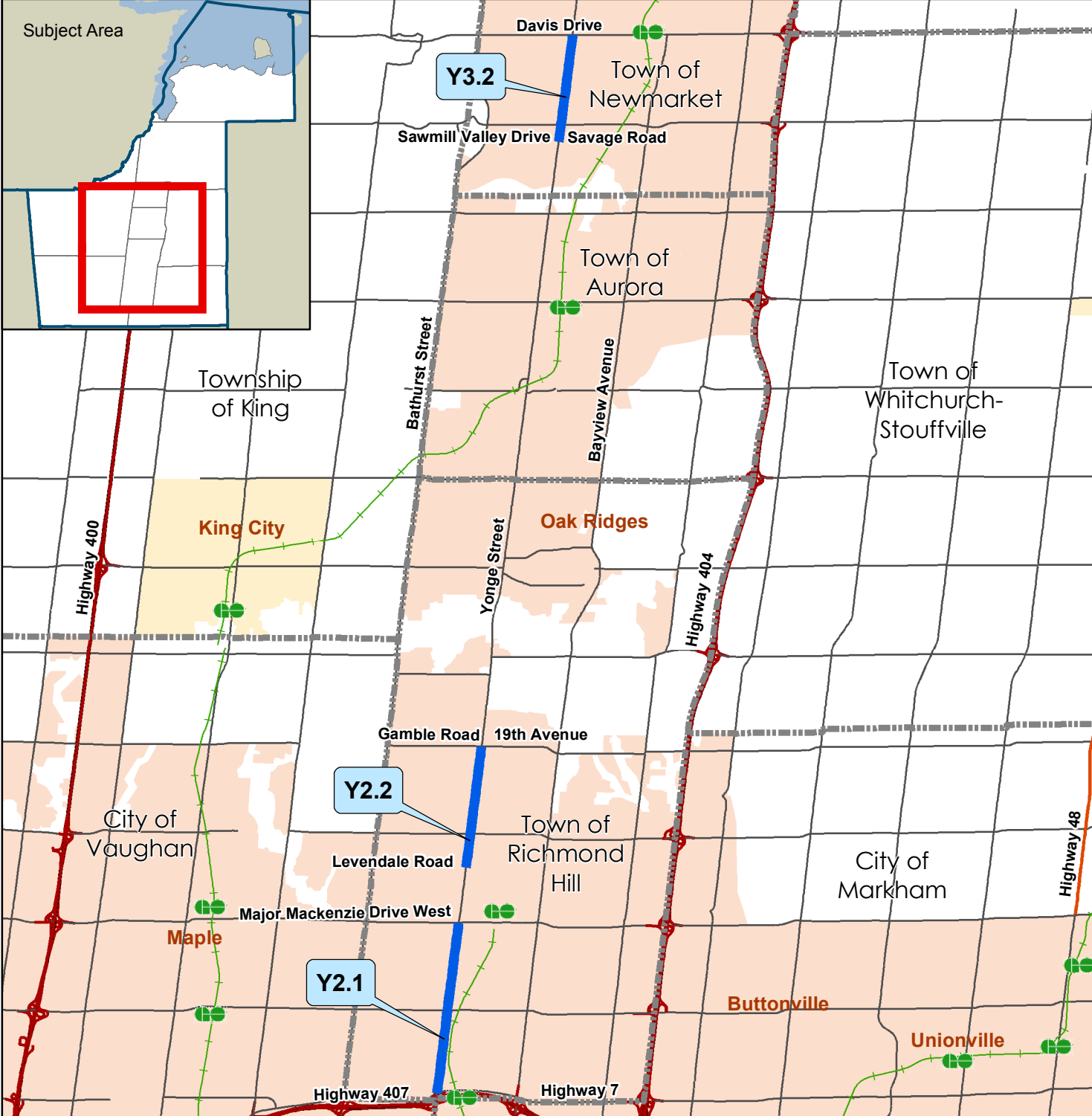
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Mary-Frances Turner  
President

March 31, 2014

Attachment (1)





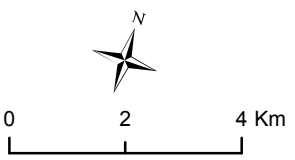
### Yonge Street Rapidway

Yonge Street Design and Build Rapidway Project  
March 25, 2014



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### Legend

- █ Rapidway Projects
- GO Station/Rail Line
- Municipal Boundary
- █ Freeway
- █ Provincial Highway
- Regional Road
- Towns and Villages
- Urban