

# TORONTO TRANSIT COMMISSION

## REPORT NO.

**MEETING DATE:** July 24, 2013

**SUBJECT:** PROCUREMENT AUTHORIZATION  
CONSTRUCTION MANAGEMENT SERVICES  
CONTRACT G85-313

### **ACTION ITEM**

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### **RECOMMENDATION**

It is recommended that the Board authorize the award of Contract G85-313, Construction Management Services to MMM Group Limited, in the upset limit amount of \$30,000,000.00, for a period of five years on the basis of the highest total weighted score.

### **FUNDING**

Sufficient funds for this expenditure are included in the 2013-2017 TTC Capital Program which was approved by City Council on January 16, 2013.

Payment will be on an actual time basis and will be charged to approved projects for which the work is required in accordance with the approved annual work plan. No work will be initiated on any project unless the appropriate funds have been approved.

### **BACKGROUND**

Since 2005, the core Capital Program budget has significantly increased from around \$70M to over \$300M annually. In response, the Construction Department re-organized and the American Public Transportation Association (APTA) was requested to conduct a peer review with the focus on organization structure to support increased project demand.

The APTA Peer Review panel recommended increasing the TTC staff level to support long term capital funding of around \$150M - \$300M per year augmented by consultant staff for their special expertise and flexibility to support peak resource demands.

In 2006, the Construction Department expanded and added additional resources. At the same time, two consultant services contracts, project management and construction management, were retained to supplement in-house resources to manage peak capital project delivery demands.

This report is for the replacement of the Construction Management Services contract. A separate report for the replacement of the Project Management Services contract will follow at a later date as required.

The current Construction Management Services contract was awarded in 2006 for a period of five years with an initial award value of \$30M. The contract was subsequently extended by three years and the contract value increased by \$2M to \$32M and it is coming to an end.

The proposed TTC's 2014-2018 Capital Program forecasts on-going high project delivery needs with an average annual capital budget of over \$300M. To meet the forecasted project delivery demands, support for construction management services is required. The consultant staffing level is reviewed and adjusted to support the project delivery requirement on an annual basis.

The services to be provided under the Construction Management Services contract will include technical and analytical reviews, inspection and administrative support, including but not limited to the following tasks:

- Inspect, monitor and report on the contractor's daily activities,
- Coordinate interface activities between contractors and TTC Operations,
- Perform quality assurance audits,
- Provide survey services,
- Coordinate commissioning activities,
- Perform construction reviews of design documents and construction documents,
- Monitor and assist in monitoring construction safety to protect the public, construction personnel and property,
- Provide construction management expertise, and
- Perform constructability reviews.

## **DISCUSSION**

A Request for Proposals was publicly advertised on the Merx website as well as the TTC's website as of April 9, 2013. Thirty companies requested or downloaded copies of the proposal documents, out of which four submitted a proposal by the closing date of May 13, 2013, as summarized in Appendix A.

All proposals received were reviewed for compliancy and all proposals that appeared to be compliant were rated by staff on the evaluation team. It was pre-determined that any proponent who scored a total qualitative rating of at least 70% would be considered qualified. The recommendation for award is based on the highest total weighted score which was calculated as a sum of the weighted qualitative score, and the weighted pricing score as set out in the proposal documents.

All proposals received were reviewed and rated by the evaluation team, based on the evaluation criteria listed in Appendix A.

The proposals submitted by AECOM Canada Ltd. (AECOM) and MMM Group Limited (MMM Group) were considered qualified and project team members demonstrated the best relevant experience.

Following the determination of the final ranking, the pricing envelopes of both qualified proponents (AECOM and MMM Group) were opened and evaluated and MMM Group had the highest total weighted score. Upon review of the confidential pricing information, it was determined that the pricing submitted by MMM Group provided the best overall value to the TTC and was considered reasonable. MMM Group has previously performed work of a similar size and nature satisfactorily for the TTC.

**JUSTIFICATION**

The award of the contract to MMM Group Limited will ensure that satisfactory consultant staff resources are available for construction management services over the contract term of five years. Their proposal is rated the best overall and prices are considered to be fair and reasonable.

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June 21, 2013  
50-101-61  
03050-104-1

Attachment: Appendix A

## APPENDIX A

### PROCUREMENT AUTHORIZATION CONSTRUCTION MANAGEMENT SERVICES CONTRACT G85-313

#### LIST OF PROPONENTS (Alphabetically)

AECOM Canada Ltd.  
GENIVAR Inc.  
MMM Group Limited \*  
Transit Construction Management Partners (TCMP)

**\*Indicates Recommended Proponent**

#### EVALUATION CRITERIA

- A. Corporate Qualifications/Experience
  - Background and Capabilities
  - Number of years in business
  - Depth of available resources
  - Relevant corporate experience
  
- B. Project Team Qualifications / Experience
  - Number of years of related experience
  - Number of years of direct experience
  - Technical qualifications
  - Work of similar size and nature