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PRELIMINARY ENGINEERING WORK AWARD - HIGHWAY 7 RAPIDWAY - PINE VALLEY DRIVE TO RICHMOND HILL CENTRE

The Rapid Transit Public/Private Partnership Steering Committee recommends the adoption of the recommendations contained in the following report, April 4, 2008, from the Vice-President, York Region Rapid Transit Corporation:

1. RECOMMENDATIONS

It is recommended that:

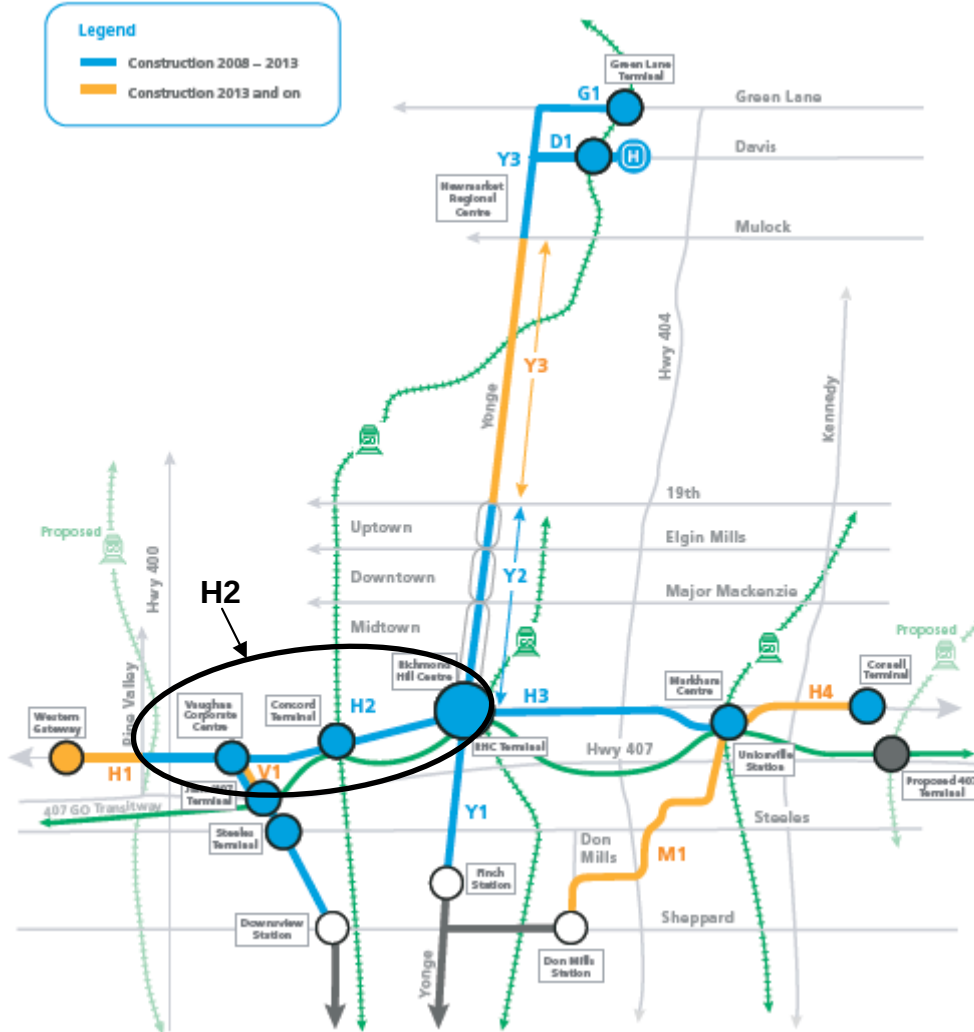
1. Subject to staff determining in conjunction with the Owner's Engineer that York Consortium 2002's proposal is cost competitive and within budget, that York Consortium 2002 be retained to undertake the Highway 7 (H2) Rapidway preliminary engineering and that Council authorize the Regional Chair and Clerk to execute a contract with York Consortium 2002 for such work in a form acceptable to staff and legal counsel.
2. In the event that York Consortium 2002's business proposal to undertake the work identified by the Owner's Engineer is not deemed to be cost competitive, that Council authorize staff to immediately publicly tender the work through an RFP.
3. Staff report back to Council on the progress of the work programme for such work on a regular basis.
4. The Regional Chair and Clerk be authorized to enter into the necessary Agreement with the Province to secure funding for such preliminary engineering work.

2. PURPOSE

The purpose of this report is to seek approval for York Consortium 2002 (YC2002) to undertake the Viva Phase 2 – Highway 7 (H2) Rapidway (see Figure 1) work programme, (from west of Pine Valley Drive to the Richmond Hill/Langstaff Centre), subject to their price being cost competitive. The report also seeks authority for the Regional Chair and Clerk to enter into any necessary Agreement with the Province with YC2002 to undertake such work, and the necessary provincial agreements to secure the funding recently announced in the March 25, 2008 Provincial Budget for "Quick Win" preliminary engineering (PE) and planning work, which includes this segment of Viva Phase 2 rapidways.

Figure 1

York Region Rapid Transit Network – Phase 2



3. BACKGROUND

A detailed funding submission was made to the GTTA on October 31st, 2007

During October 2007, the rapid transit office prepared a detailed submission of all rapid transit Quick-Win Projects that could be delivered in the next five years as requested by Metrolinx (formerly the Greater Toronto Transportation Authority).

The Quick-Win submission was based on the draft network plan principles developed by the rapid transit office, which were presented to Committee in January 2008. Metrolinx endorsed the recommendations of their staff report at a meeting on Friday, November 23rd.

A number of funding announcements have been made supporting rapid transit in York Region

The Government of Ontario's December 13, 2007 Fall Economic Statement announced significant details toward implementing Metrolinx Quick-Win recommendations and the Province's \$17.5 billion MoveOntario 2020 rapid transit programme. The Economic Statement provided funding for nearly \$100 million of the Metrolinx Quick-Win Tranche 1 projects, and a \$500 million programme for state of good repair and transit projects. Within York Region, this announcement included \$5.6 million for Cornell terminal. The balance of Quick-Win Tranche 2 recommendations were addressed during the 2008-2009 Provincial Budget process. York Region was successful in having \$100 million of Quick Win Tranche 2 projects funded in the Provincial 2008 Spring Budget.

4. ANALYSIS AND RECOMMENDATIONS

Funding for Quick Win Tranche 2 has been approved by the province

The Quick-Win Tranche 2 project list for York Region was approved in the Provincial Spring Budget on March 25, 2008 and included \$14 million for preliminary engineering for H2 and H3 rapidway segments on Highway 7 from Helen Street, just west of Pine Valley Drive to the Richmond Hill Centre, and then from Richmond Hill Centre to Kennedy Road, respectively. An additional \$38 million was approved for vehicles and intelligent transportation system (ITS) for the H2 and H3 rapidway segments.

Capital construction of these projects is under review by Metrolinx, working in consultation with the rapid transit office and Infrastructure Ontario.

Preliminary Engineering is already underway for Yonge Street Y2 (Richmond Hill Centre to 19th Avenue) and Highway 7 H3 (Richmond Hill Centre to Kennedy Road).

The H2 rapidway is the next logical Viva Phase 2 work programme

On September 27, 2007, Council authorized staff to commence work immediately with the Owner's Engineer to develop a scope of work for H2 (Highway 7 - from west of Pine Valley Drive to Richmond Hill Centre), and to seek a business proposal from York Consortium 2002 to undertake this work, and that staff report back to Committee and Council on the outcome of those negotiations and funding sources.

Commencement of all preliminary engineering work for Viva Phase 2 is a top priority in the approved 2008 rapid transit operating budget. After segments Y2 and H3, on which PE is already underway, segment H2 on Highway 7 from west of Pine Valley Drive in Vaughan to Richmond Hill Centre is the next logical work programme for PE based on approved environmental assessments.

The H2 (Highway 7 – Pine Valley Drive to Richmond Hill Centre) preliminary engineering work programme has been finalized

The H2 PE work programme developed with YC2002 and the Owner's Engineer has been finalized. It is anticipated that YC2002 will present a business proposal on April 11, 2008 to undertake this work. The bid price of the business proposal will be assessed within the terms of the Master Agreement and Go Forward Business Arrangements Agreement. Either a contract will be awarded for YC2002 for their bid price, or negotiations to determine a price acceptable to the Region will commence. If an acceptable price is not achieved the Region may publicly tender the project through an RFP.

5. FINANCIAL IMPLICATIONS

H2 PE has been approved in the 2008 rapid transit capital budget

The approved 2008 rapid transit capital budget anticipates undertaking PE on all Viva Phase 2 rapidway segments. As described in Section 4, the provincial 2008 Spring Budget has provided \$14 million for rapidway PE on Highway 7 from west of Pine Valley Drive to Kennedy Road. Preliminary engineering work for the H3 portion of this corridor from the RHC to Kennedy Road has already been awarded.

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 on the PE for the H2 segment will further confirm the public investment commitments that will help facilitate, along with the Spadina Subway extension, the development of the Vaughan Corporate Centre and Richmond Hill Centre on Urban Growth Centres in the context of the Provincial Growth Plan.

7. CONCLUSION

The H2 rapidway segment is the next logical segment to commence preliminary engineering based on environmental assessment approvals. The Province, in its 2008 Spring Budget, included funding for the preliminary engineering of Highway 7 (H2) rapidway between Pine Valley Drive and Richmond Hill Centre. The associated work programme for H2 has been scoped and it is anticipated that YC2002 will submit a bid on April 11, 2008 to undertake the preliminary engineering of this segment.

This report seeks authorization to award the PE work to YC2002, 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 publicly tendering the PE work through an RFP.

The Senior Management Group has reviewed this report.