



Report to: Development Services Committee

Meeting Date: June 10, 2019

SUBJECT: Yonge Street/Highway 7 Regional Centre Transit Planning
Optimization Value Engineering Advisory Services (Ward 1)

PREPARED BY: Brian Lee, Director of Engineering, ext. 7507

RECOMMENDATION:

- 1) That the report entitled “Yonge Street/Highway 7 Regional Centre Transit Planning Optimization Value Engineering Advisory Services, Wards 1” be received; and,
- 2) That the tendering process for consulting engineering services for the Yonge Street/Highway 7 Regional Centre Transit Planning Optimization Value Engineering Advisory Services (“Value Engineering Advisory Services”) be waived in accordance with Purchasing By-Law 2017-8, Part II, Section 11.1 (h), which states “where it is necessary or in the best interests of the City to acquire non-standard items or Consulting and Professional Services from a preferred supplier or from a supplier who has a proven track record with the City in terms of pricing, quality and service;” and,
- 3) That the Value Engineering Advisory Services be awarded to NCE Value Engineers Inc. for an amount not exceeding \$25,000 inclusive of HST impact and contingencies and internal charges; and,
- 4) That a new 2019 Engineering capital project be created, “Yonge Street/Highway 7 Regional Centre Transit Planning Optimization Value Engineering Advisory Services, Wards 1” in the amount of \$25,000 to be funded from the City-Wide Hard Development Charges Reserve; and further,
- 5) That Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to obtain Council authorization to award a contract to NCE Value Engineers Inc. for professional engineering services relating to transit planning optimization in the Yonge Street/Langstaff Gateway area.

BACKGROUND:

On April 10, 2019 the Province announced that the Yonge Subway Extension (YSE), at a cost of \$5.6B, will be operational soon after 2027. The staff report entitled Yonge Subway Extension and Royal Orchard Station, dated April 1, 2019 provided a chronology of the planning and stages of approval of the YSE concept. Further, the York Region Rapid Transit Corporation (YRRTC) provided an update to Development Services Committee (DSC) on May 13, 2019 regarding the subway planning and design progress,

and timelines to implementation. The YSE is currently under preliminary design and City staff has been involved as part of the technical stakeholder consultation.

At the May 28, 2019 Council meeting, Council adopted a resolution on the Yonge Subway Extension. The resolution requests the Province to consider certain existing Regional and Provincial infrastructure reconfiguration, land value uplift through intensification and land use re-designation, and to conduct environmental assessments to bury the high-voltage hydro transmission lines, optimizing the subway extension along Yonge Street, including the subway station locations, and optimizing the Highway 407 Transitway alignment.

OPTIONS/ DISCUSSION:

Province was Requested to Conduct Studies

Based on the May 28, 2019 Resolution, the Province was requested to work with the local municipalities and transit authorities to assess alternative alignments of the subway and 407 Transitway. A major component is the optimization of the rapid transit lines with the appropriate land use and density in order to maximize the value of the transit investment. The current plan for the Richmond Hill-Langstaff Gateway anchor hub will have to be reassessed with lands created through the burying of the hydro transmission lines, and reconfiguration of certain existing infrastructure.

What is Value Engineering?

Value Engineering or Value Methodology is a systematic and structure approach to maximize the “value” of projects, products and processes. It is often used in complex and expensive design and construction projects, and business and administrative processes.

Service Offered by NCE Value Engineers Inc.

NCE Value Engineers Inc. (NCE) was originally retained by PowerStream Inc. to undertake a value engineering review of opportunities to enhance the land potential within the Richmond Hill-Langstaff Gateway area with alternative transit concepts and burying of the hydro transmission lines. NCE identified alternative alignments of the subway and the Provincial 407 Transitway, and the relocation of the York Region Transit Bus Terminal.

Mr. David C. Wilson, P.Eng., President of NCE Value Engineers Inc., made a deputation to DSC on April 29 on Yonge North Subway Extension. Mr. Wilson discussed with DSC on future transit plans in the area, opportunities for optimizing land, implementation costs, integration with existing transit systems, preferred configuration, etc.

Mr. Wilson has numerous years of experience in value engineering with major consulting companies before becoming the president of NCE. The service to be offered by the NCE includes:

- Conducting investigations and research and preparing technical reports
- Review of technical studies prepared by others
- Preparing and presenting project-related materials

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- Liaison with external technical experts/teams to confirm concept viability
 - Liaison with elected officials and staff
 - Attending meetings and related activities, etc.

Market Competitiveness

The rate and estimated fee proposed by NCE have been reviewed by staff and are comparable to rates and fees of other consultants providing consulting services.

FINANCIAL CONSIDERATIONS

Staff recommends that a 2019 Engineering Capital Project be created, “Yonge Street/Highway 7 Regional Centre Transit Planning Optimization Value Engineering Advisory Services, Wards 1” in the amount of \$25,000 to be funded from the City-Wide Hard Development Charges Reserve.

Cost of Award	\$20,500.00
Contingency (10%)	\$ 2,050.00
Sub-total	\$22,550.00
HST Impact (1.76%)	\$ 396.88
Internal Charges (9%)	\$ 2,029.50
Total	\$24,976.38

OPERATING BUDGET AND LIFE CYCLE RESERVE IMPACT

Not applicable.

LEGAL CONSIDERATIONS

N/A

ALIGNMENT WITH STRATEGIC PRIORITIES:

This project aligns with the City’s vision of the Yonge Subway Extension as the most important rapid transit project for Markham, and reflects transportation policies of the Official Plan for a multi-modal transportation system.

BUSINESS UNITS CONSULTED AND AFFECTED:

The City’s Finance and Legal Departments have been consulted and concur with the recommendations of this report.

RECOMMENDED BY:

Brian Lee, P. Eng.
Director of Engineering

Arvin Prasad, M.C.I.P., R.P.P.
Commissioner of Development
Services