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Communication	
COUNCIL:	Sept 20/16
FAA Rpt. No.	9 Item 6

DATE: September 15, 2016

TO: MAYOR AND MEMBERS OF COUNCIL

FROM: LAURA MIRABELLA-SIDDALL, CHIEF FINANCIAL OFFICER AND CITY TREASURER
JACK GRAZIOSI, DIRECTOR OF INFRASTRUCTURE DELIVERY

RE: COMMUNICATION - FINANCE, ADMINISTRATION AND AUDIT COMMITTEE -
September 6, 2016
ITEM 6 – VAUGHAN HEALTHCARE CENTRE PRECINCT DEVELOPMENT LEVY &
CAPITAL PROJECT UPDATE – DECEMBER 31, 2015

Recommendation

The Chief Financial Officer / City Treasurer and Director of Infrastructure Delivery, in consultation with the Director of Purchasing, recommend:

1. That this communication be received.

Purpose

To provide Council with the supplemental information requested at the September 6 Finance, Administration and Audit Committee Meeting

Background - Analysis and Options

The table found on page 6.5 of the item has been revised to include the cost recovery estimates for the projects:

	Commitments	Expenditures to Date
Land Purchase	61,125,617	61,125,617
Precinct Plan Development	2,381,608	2,354,683
Detailed Design of Municipal Roads and Servicing	1,543,302	1,429,179
Project Risk Mitigation and Contract Administration	1,738,267	571,192
Construction (Stage 1)	6,936,541	5,299,280
Construction (Stage 2)	24,837,525	1,212,248
Less: City Wide Develop Charge Funding	-3,750,000	
Total	\$94,812,860	\$71,992,199
Cost Recovery:		
June 2015 Invoice:		
Detailed Design	554,190	554,190
Contract #1	2,594,382	2,594,382
Contract Administration	169,714	169,714
Permits	1,956	1,956
Total received	\$3,318,286	\$3,318,286
Future Recovery:		
Contract #2	\$12,536,732*	
Total Recoveries	\$15,855,018	\$3,318,286
Net Expenditures After Recoveries	\$78,957,842	\$68,673,913

*Preliminary estimate. The actual recoveries will not be known until the works associated with Contract #2 are finalized and all invoices are received.

To date, the City has received payment of \$3.3 million for works associated with detailed design works for the Vaughan Hospital Precinct lands, T14-072 Contract 1 – Site Pre-grading and for contract

administration services. The preliminary estimate of the cost shared expenditures associated with T15-230 Contract 2 – Site Servicing and contract administration is \$15.8 million. The true value of this recovery will be finalized when the works associated with Contract #2 are finalized and fully invoiced.

The overarching principals of the cost sharing agreement between the City and Mackenzie Health were approved at the September 9, 2014 meeting of Council (Report 36, Item 54). These principals are as follows:

- a) Overall cost efficiency and risk mitigation shall be fundamental goals;
- b) Only the cost of Shared Services shall be shared by the Parties ("Shared Costs"). Infrastructure Costs attributable solely to the development of the Remainder Lands shall be "City Costs" and shall be the responsibility of the City alone;
- c) Shared Costs shall be shared by the Parties on a proportionate basis; and
- d) The City is entitled to implement the Infrastructure Plan in accordance with the City's policies and practices respecting procurement and contract administration, including policies and practices respecting the tendering and award of contracts, contract amendment and enforcement, and dispute resolution. In this context the City has contracted with an agent to administer the various contracts for construction of the completed works (the "Contract Administrator").

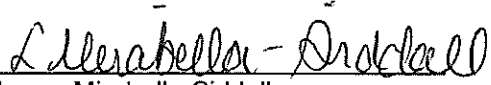
Over the lifespan of this project, there have been multiple awards for works required to meet the City's commitment to provide an unencumbered site for the construction of the Mackenzie Vaughan Hospital. The table in attachment 1 summarizes the time line of the awards for these works

Attachment 1: Summary of Awards

Report prepared by:

Jackie Macchiusi, CPA, CGA
Sr. Manager, Corporate Financial Planning and Analysis

Respectfully submitted,


Laura Mirabella-Siddall
Chief Financial Officer and City Treasurer


Jack Graziosi
Director of Infrastructure Delivery

Summary of Awards

Reference				Total
Prism Partners Inc				
6-Jan-15	LVP	Amendment		27,968
25-Sep-12		RFP12-304		335,808
25-Jun-13	Rpt 32, itm 42	Amendment		188,052
6-May-14	Rpt 18, Itm 31	Amendment		201,485
25-Jun-16		Single Source		20,352
Total Award				745,697
Leading the City's development team: chairing and providing oversight to the ongoing activities of the Joint Coordinating committee; Develop the framework for the Co-operation Agreement between the City and MacKenzie Health; Support the City and MacKenzie Health with the Infrastructure Ontario: Project Readiness Assessment; Assist with the development of the land bridging agreement, ground lease, and cost sharing.				
Malone Given Parson				
12-May-12	SSA12-520	Single Source		231,987
29-Oct-03	Rpt 12, Itm 4	Amendment		105,322
Total Award				337,309
Prepare a draft plan of subdivision and to work with the City to prepare a precinct plan; Meeting attendance for development planning application process related matters (Planning, Engineering & the Ministry's PDC teams); Prepare presentation material for public meetings; Policy and mapping adjustments; Prepare cost sharing formula to be included in the Land Owners Agreement.				
Cole Engineering				
12-May-12	SSA12-519	Single Source		210,694
29-Oct-03	Rpt 12, Itm 4	Amendment		155,057
Total Award				365,751
Identify City/Region/Hospital/Canada's Wonderland functional objectives; Establish a work plan, hold meetings with stakeholders and facilitate a resolution on the access easement issues; Prepare a technical schedule of activities associated with engineering detailed design approvals required to develop an Infrastructure Implementation Strategy; Developing preliminary cost analysis for all infrastructure; Provide technical engineering assistance.				
10-Dec-13	Rpt 17, Itm 10	Single Source		1,163,117
Continue with the development of the site to establish municipal roads and servicing. Works include: Detailed design engineering for preparation of tenders to construct roads, stormwater works (including channel realignment, new culverts and stormwater ponds), and municipal water and wastewater servicing to allow for the servicing of the Vaughan Healthcare Precinct lands. These works are carried out in conjunction with cost-sharing discussions with Mackenzie Health and in parallel with Ground Lease Agreement discussions.				
24-Jun-14	Rpt 30, Itm 33	RFP14-071		621,871
		PartA		296,885
		PartB		324,985
21-Apr-15	Rpt 8, Itm 6	Amendment		
		PartA		120,077
		CO-0054-09		40,704
		CO-0074-14		79,373
16-Sep-15	Rpt 11, Itm7	Part B		521,011
	Summary	CO-0054-09		1,183,586
		CO-0074-14		79,373
Total Award				1,262,959
Construction Contract Administration and Consulting Services: Oversee the project from a construction point of view, ensuring all work is completed in accordance to the City's Engineering standards and specifications.				

Summary of Awards

Reference				Total
p2i Strategies				
6-May-14	Rpt 18, Itm 29	RFP 14-070		160,140
16-Sep-15	Rpt 11, Itm8			315,171
Total Award				475,311
Project Control and Risk Mitigation Services: Intended to minimize risks, ensure proper management of resources and costs in adhering to timelines in accordance with the City's, Region of York, Cedar Fair, and Ministry of Transportation requirements.				
HOK Inc				
6-May-14	Rpt 18, Itm 30	RFP 14-065		123,636
Landscape Architect: Assist in preparing the landscape development concept and detailed design for the precinct and specifications for the public realm design components. This will inform the development of Project Specific Output Specifications (PSOS) as required by Mackenzie Health and Infrastructure Ontario (IO).				
Con Drain				
24-Jun-14	Rpt 30, Itm 34	T14-072		9,537,833
		CO-0054-09		5,571,367
		CO-0074-14		3,966,466
16-Sep-15	Rpt 11, Itm9	Amendment		
		CO-0054-09		1,138,000
		CO-0074-14		457,920
28-Jun-16	Rpt 8, Itm 3	Amendment		
		CO-0074-14		837,356
	Summary	CO-0054-09		6,709,367
		CO-0074-14		5,261,742
Total Award				11,971,109
Contract 1 includes the works associated with Cedar Fair's site access modifications and Precinct site earthworks.				
16-Sep-15	Rpt 11, Itm10	T15-230		24,744,257
Contract 2 includes the works associated with the internal servicing of the site, stormwater management, sanitary, water and storm works, and Jane street roadworks				