



Essroc Quay Lakefilling

Request for Approval to Commence Project

October 25, 2016



Background

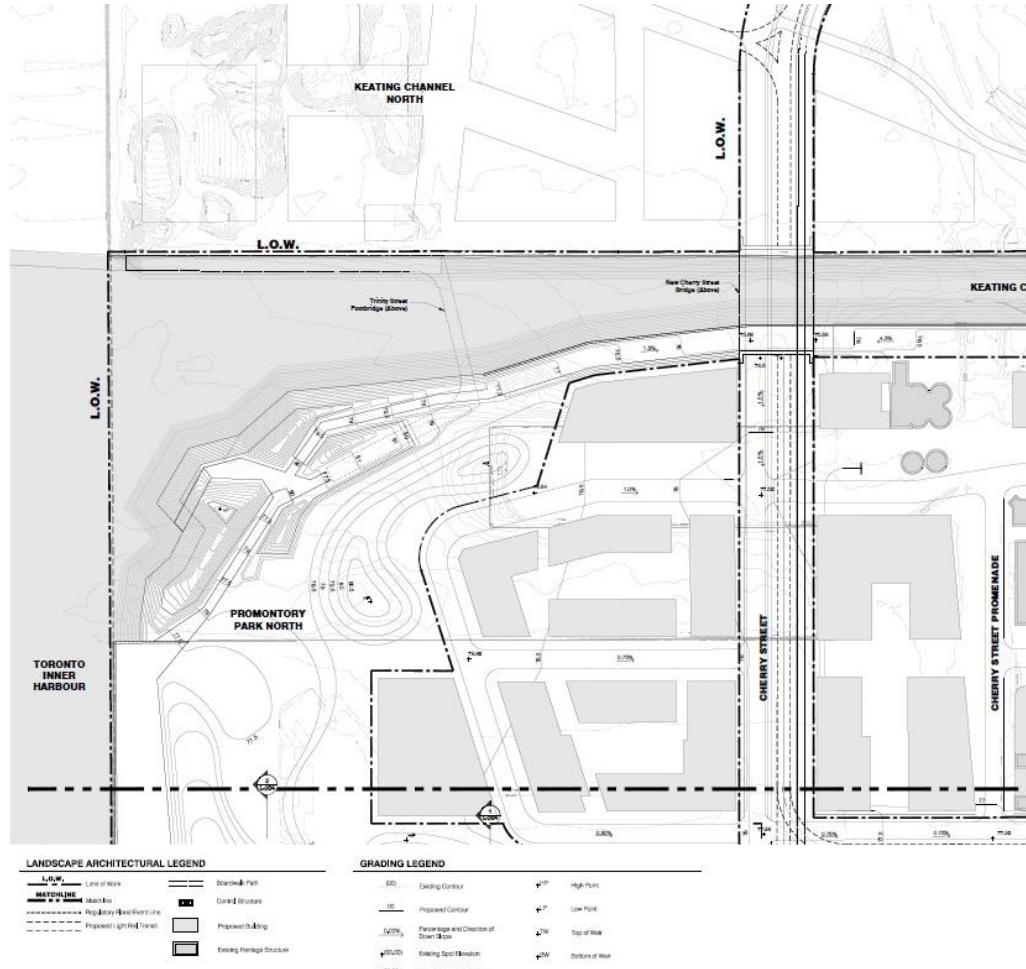
- The three levels of Government jointly announced a \$65M contribution from the Clean Water Waste Water Fund, for the implementation of the Essroc Quay Lakefilling.
- Essroc Quay Lakefilling (EQLF) project is a part of the broader Portlands Flood Protection project.
- The project will create a new landmass around the current Essroc Quay and stabilize the area shoreline under flood conditions, improve water quality, optimize water and storm water infrastructure, and create new naturalized open spaces and aquatic habitat. It will also further accommodate the construction of roads and transit into the Port Lands.



Scope of Work

The project includes the design and construction of the following elements:

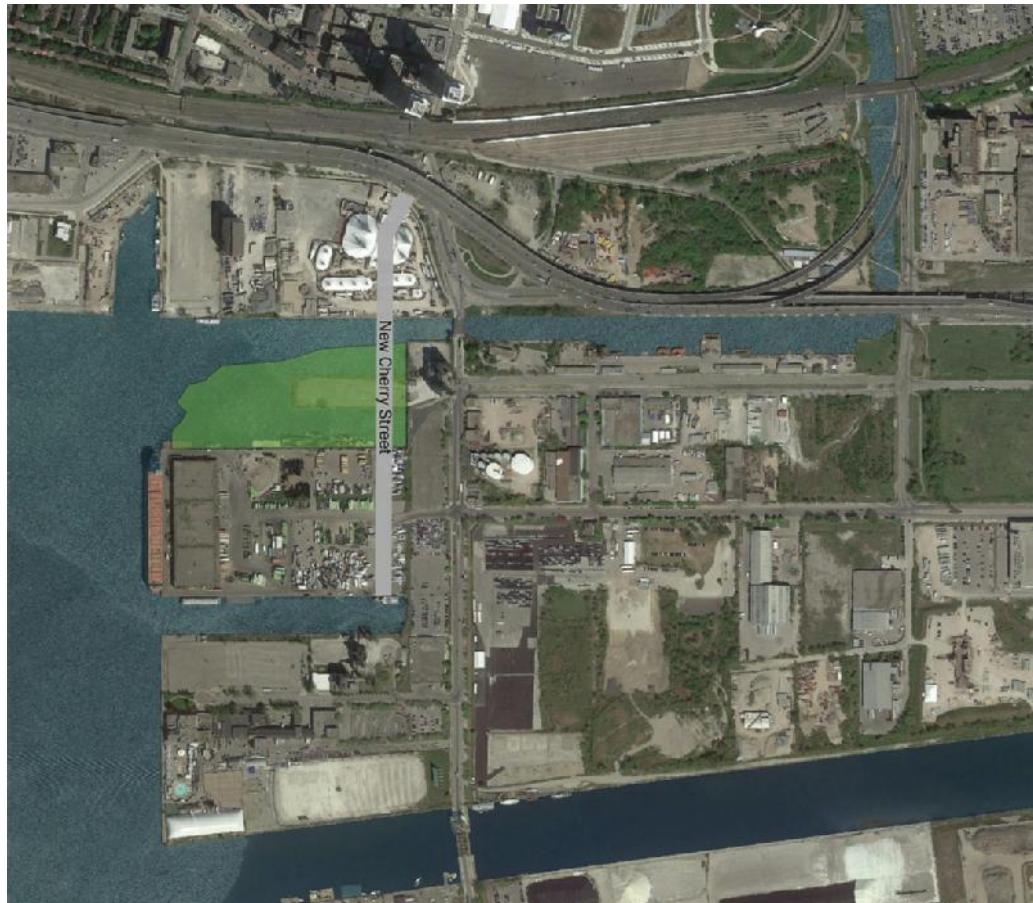
- Confinement berm structures
- Rock armouring and dockwall structures
- Lakefilling
- Aquatic habitat structures and features
- Diversion of an existing storm sewer



Scope of Work (Continued)

The project includes two pilot studies:

- To assess alternative technologies for dredging and managing sediments.
- To determine how soils from the Port Lands (and other brownfield sites) may be treated through innovative technologies to allow for stabilization or potential reuse.





Current Status

- Staff are coordinating with the City and Province to establish how the CWWF funds will flow. City Council approval (anticipated November 8, 2016) is required prior to execution of Contribution/Delivery Agreements between WT and the City of Toronto in late 2016, early 2017.
- Upon Board approval, staff will procure key consultants including architects, engineers and cost consultants. Total initial commitment values (based on 30% design) are anticipated to be less than \$2 million.
- MVVA retention will follow terms of original design competition selection. Balance of consulting team will be competitively procured. Contracts will be awarded in Q3 & Q4 FY16/17.
- Billings from newly awarded contracts are unlikely to be received prior to the execution of the Contribution/Delivery Agreement.
- Staff will return to the FARM Committee and Board to request Capital Approval for the project once 20% design and pricing is obtained consistent with existing policies.

Project Risks



Risk Description	Potential Impact	Mitigation Strategy
City Council date occurring later than anticipated	Project delays	Coordinate closely with the City. Monitor schedule closely and report on any necessary changes.
Aggressive design and approvals schedule	Project delays and additional costs	Initiate Fisheries Act as well as Navigation Protection Act reviews concurrently with design. Advance habitat design.
Waterlot acquisition	Project delays and additional costs	Start discussion with Ports Toronto at this time and escalate to Senior Management as needed.
Complications in evacuating vessels that are currently using the slip	Project delays and additional costs	Engage with Ports Toronto and TPLC on this matter early and start the notification process as soon as Delivery/ Contribution Agreements are executed,
Water flow restrictions necessitating changes in design	Project delays and additional costs	Advance water's edge profile design and finalize model and verification by TRCA early.
Availability of fill	Project delays and additional costs	Start exploring suitable fill sources. Advertise to other agencies availability of area to receive fill.
Potential Presence of Soft Sediments in the Lakefill Areas requiring dredging before filling	Project delays and additional costs	Expedite the procurement and implementation of in-water (lakebed) geotechnical exploration.
Delay in Contribution Agreement execution and funding availability	Need to borrow	Work closely with Government to negotiate CA in a timely manner. Confirm source of interim funding (WT working capital or borrowing).

Capital Budget

Hard Construction Costs	\$41.0
Soft Costs	\$8.2
Escalation and Contingency	\$14.7
Non Recoverable HST	\$1.1
Total Estimated Cost	\$65.0

Future Capital Approval Request **\$65.00**

Federal Funding	\$32.50
Provincial Funding	\$16.25
City Funding Required	\$16.25

All values shown in millions



Recommendation

Management recommends Board Approval to commence the Essroc Quay Lakefilling project, including procurement of required consultants, in advance of formal agreements being executed.

This approval is conditional upon City Council approval of the project.

If funds are required prior to CA execution in order to pay bills, they will be temporarily sourced from existing working capital or short term borrowing.



Motion

ON MOTION duly made, seconded, and carried, be it **RESOLVED** that the Board approves the commencement of the Essroc Quay Lakefilling project with the procurement of the required consultants for the design of the project, conditional on City Council approval of the project and commitment to funding for the project at its meeting on November 8, 2016.

