

Port Lands Flood Protection and Enabling Infrastructure  
Accelerated Due Diligence and Project Planning  
Project Update

Board of Directors  
June 24, 2015

# Background



- Capital Investment of \$5.0 million for Portlands Flood Protection and Enabling Infrastructure Due Diligence and Project Planning approved at the May 4, 2015 meeting of the Board of Directors subject to receipt of the executed Contribution Agreement from the City of Toronto
- Pursuant to the Province requesting that portions of the due diligence be accelerated and information be provided by October 31, 2015 the Board requested that management provide the following:
  - Summary of the priority deliverables required to be provided by October 31<sup>st</sup>
  - Summary of means by which the due diligence work will be accelerated to meet the October 31<sup>st</sup> milestone
  - Updated schedule identifying milestones and deliverables taking into account accelerated timeline

# Scope of Work and Deliverables



Key deliverables for the next 12-18 months – deliverables that must be accelerated have been highlighted below:

- Initial project charter for due diligence and project planning scope of work **(Completed)**
- Detailed program execution and implementation plan
- **Base cost estimate update**
- **Master program schedule and cash flow update**
- **Quantitative cost/schedule risk analysis**
- **Procurement options analysis and strategy (including P3/AFP screening)**
- Identification and strategy for securing required permits, licenses and approvals
- Interface coordination requirements with related/adjacent projects and maintenance activities (e.g. Gardiner EA, Keating Channel dredging, etc.)
- Landowner engagement
- Confirmation of funding sources and strategy

# Scope of Work and Deliverables



Environmental due diligence deliverables – deliverables that must be accelerated have been highlighted below:

- Compilation of existing subsurface information
- Identification of data gaps/uncertainties
- **Development and implementation of field sampling program**
- Development of Conceptual Site Model
- Definition of Risk Assessment/Record of Site Condition sites and requirements in accordance with applicable regulation.
- **Any additional environmental investigation required to validate cost estimates**

# Scope of Work and Deliverables



Site characteristics due diligence deliverables – deliverables that must be accelerated have been highlighted below:

- Comprehensive topographic, bathymetric and legal surveys
- Updated flood plain mapping
- Sub-surface utility mapping
- **Geo-technical investigation and assessment**
- **Dock wall structural assessment**

# Acceleration Initiatives



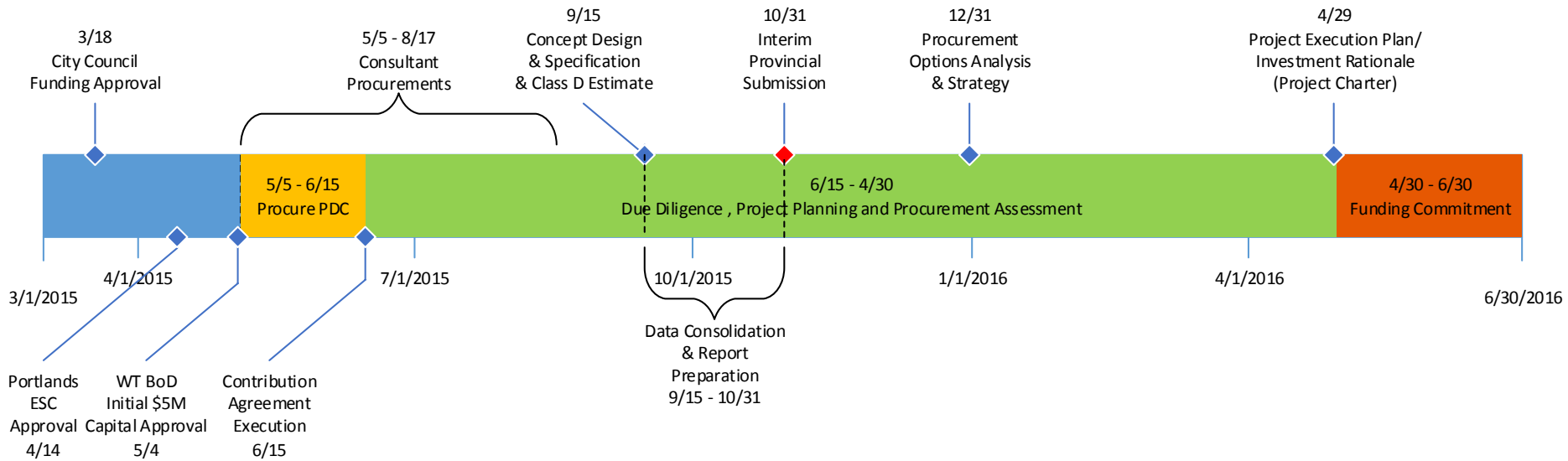
- Retain the Michael Van Valkenburg Associates team to provide planning and design services; geomorphology/ecology; and municipal engineering services based on the original international design competition for the river. The competition brief stipulates that the selected consulting team may be engaged to complete design development, detailed design and construction of the river.
- Prioritize and accelerate critical consulting services and compress vendor procurement by issuing Requests for Proposal utilizing Waterfront Toronto and partner agency Vendors of Record (VOR) in lieu of issuing two stage RFQ/RFP public tenders. Priority VOR procurements will include the following services:
  - Project Cost Estimating
  - Environmental/Geotechnical/Hydrogeological Site Investigation
  - P3/AFP Screening
  - Dockwall Structural Assessment
- Focus on priority services and accelerate delivery of those services through application of additional resources as required. Adjust cash flows, apply contingency or adjust overall scope of services to suit.

# Budget Breakdown



Required Services	Budget
Professional Services (e.g. architecture, engineering)	\$ 2,875,000
Financial Due Diligence	\$ 250,000
Program Management, Project Planning & Implementation	\$ 1,425,000
Contingency	\$ 450,000
<b>Total Budget</b>	<b>\$ 5,000,000</b>

# Proposed Accelerated Schedule





# Project Risks



Risk Description	Potential Impact	Mitigation Strategy
Procured values exceed budgets	Available funding exceeded	Maintain contingency
Additional services identified during project	Re-procurement and delay	Scope services for flexible addition/ deletion, if required
Additional consultant services required		Prioritize Consulting services and defer if necessary
Failed procurement (no suitable team identified)		Prequalify consultants prior to proposal stage
Acceleration may affect quality of due diligence	Potential compromise in team credibility	Clearly identify assumptions, potential impacts and cost reduction strategies
Results could change between October submission and completion of due diligence	Funding approved may be insufficient to complete entire program of work	Clearly identify assumptions, potential impacts and cost reduction strategies

