



Change Order: Additional Scope to Renovate Townhouse Units at 275, 285 and 295 Shuter Street (Moss Park)

Item 6C

September 2, 2021

Building Investment, Finance and Audit Committee

Report: BIFAC:2021-87

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Vice President, Facilities Management

Date: August 10, 2021

PURPOSE:

The purpose of this report is to seek the BIFAC approval for the change order to Martinway Contracting Ltd. ("Martinway") for the extra cost to expand the interior finish renovation of 41 townhouse units at 275, 285 and 295 Shuter Street in Moss Park.

BIFAC approval is required for the recommended change order, as the cumulative award amount exceeds the financial approval limit of Toronto Community Housing's ("TCHC's") Procurement Award Committee ("PAC").

RECOMMENDATIONS:

It is recommended that the BIFAC approve and forward to the Board for approval the following recommendations:

- (a) Approve the change order of the work up to \$1,031,270.54 (exclusive of taxes) to Martinway Contracting Ltd. for the extra cost to expand the interior renovation of 41 townhouse units at 275, 285 and 295 Shuter Street as follows:

- \$941,270.54 for the extra cost to expand the interior renovation of 41 townhouse units; and
- \$90,000 as an allowance to accommodate the potential increased cost of materials due to supply chain issues as a result of the COVID-19 pandemic; and

(b) Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

REASONS FOR RECOMMENDATIONS:

Background

At its September 14, 2020 meeting, the BIFAC approved a contractor award to Martinway for \$4,024,935.00 (exclusive of taxes) for the replacement of all of sanitary plumbing drain and pipe lines at 275, 285 and 295 Shuter Street (Moss Park).

Moss Park consists of three 16-storey buildings that were built in 1964. There are a total of 41 two-storey townhouse units located in the lowest levels of the three buildings.

The original scope of work for this award included:

- Replacement of all sanitary plumbing drains and pipelines from the third floor down to the outgoing main drains in townhouse units, lobbies and basements of each building;
- Replacement of sanitary piping, domestic water supply piping, plumbing valves, sinks, plumbing fixtures (p-traps, faucets and aerators), cabinets, lighting fixtures and tile flooring in kitchens;
- Replacement of sanitary piping, domestic water supply piping, plumbing valves, toilets, bathtubs, pedestal sinks, plumbing fixtures (p-traps, sinks and shower faucets, aerators and shower heads), towel racks, medicine cabinets, tile backsplash and tile flooring in first floor bathrooms; and
- Painting of entire unit.

Change Order Recommendation

A change order of up to \$1,031,270.54 (exclusive of taxes) is recommended for the extra cost to expand the interior finish renovations in the 41 townhouse units including a building materials allowance as follows:

- \$941,270.54 for the extra cost to expand the scope of interior renovations in the 41 townhouses units; and
- \$90,000 to accommodate the potential increase cost of materials due to supply chain issues during to the pandemic.

Expanded Scope of Work

Prior to the commencement of work, Operations staff recommended a strategy for full relocation based on consultation with tenants. With this approach, tenants are moved to other vacant units in the portfolio during the course of construction. Belongings and furniture are moved from the townhouses, leaving the units entirely empty and available for more complete interior renovations.

The townhouse finish interiors are in poor repair. The original interior work was planned to be limited in scope in order to minimize disruption to tenants during the delivery of critical, but highly invasive, plumbing repairs. The additional scope of work (approximately \$25,000 per unit) includes the full replacement of flooring throughout the unit, interior doors, baseboards, lighting and electrical cover plates, stair refinishing and additional washroom renovations.

Tenants will be given first right of refusal to return to their original units at the conclusion of the project, or to remain in their relocated units. Tenants who choose to return will find the interior of their units completely renovated with all new plumbing services.

Table 1 provides a summary of change orders to date, including this recommended change order.

Table 1: Change order summary

Scope of Work		Reason for Change	Value
1	Replace water piping branches and fittings	TCHC-Directed	\$32,203.13
2	Revise kitchen millwork	TCHC-Directed	\$25,830.00
3	Interior finishes to renovate 41 townhouses Materials Supplies Contingency	TCHC-Directed	\$1,031,270.54
Approved Change Orders to Date			\$58,033.13
Recommended Change Order			\$1,031,270.54
Total Change Orders			\$1,089,303.67
Original contract award			\$4,024,935.00
Revised total contract amount			\$5,114,238.67
Cumulative Change Order %			27%

IMPLICATIONS AND RISKS:

This change order is recommended as it allows TCHC to perform all necessary work within these suites to bring them to a completely revitalized state for tenants to return to. It represents an operational efficiency by leveraging tenant relocation to perform more complete repair work.

The recommended change order is in accordance with TCHC's current Procurement Policy. The Procurement Award Committee has reviewed and recommends that the change order be approved by the BIFAC.

The project consultant has reviewed the pricing and has found it to be fair, reasonable and in keeping with current market costs. TCHC staff have compared the pricing to recent, similar interior renovations and found it in line with other projects.

Performance will continue to be evaluated in accordance with TCHC's Vendor Compliance evaluation system. Results gathered through project reviews can be used to support decisions to remove underperforming vendors from TCHC's rosters and/or future bidding opportunities.

Funding is confirmed within the 2021 Capital Budget as approved by the TCHC Board (TCHC:2020-88).

SIGNATURE:

“Allen Murray”

Allen Murray

Vice President, Facilities Management

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