



## Change Order: Additional Consultant Fees for Tenant Service Hubs (VAC 22358/RFP 19439)

Item 71

July 27, 2022

Building Investment, Finance and Audit Committee

**Report:** BIFAC:2022-113

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

**From:** Vice President, Facilities Management

**Date:** July 20, 2022

### PURPOSE:

The purpose of this report is to seek the BIFAC's approval of a change order of \$107,830.00 (exclusive of taxes) to Brown and Storey Architects Inc. ("Brown and Storey") for revisions to design and additional contract administration costs associated with four (4) of Tenant Service Hubs awarded to them under RFP 19439.

BIFAC approval is required for the recommended change order, as the cumulative amount of all change orders is both greater than \$250K and greater than 20% of the original contract amounts.

### RECOMMENDATIONS:

It is recommended that the BIFAC approve the following recommendations to:

1. approve a change order to Brown and Storey Architects Inc. for \$107,830.00 (exclusive of taxes) for additional contract administration costs associated with four (4) of the Tenant Service Hubs in their contract; and

2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**PROGRAM BACKGROUND:**

In keeping with a commitment to continually improve service levels for tenants, Toronto Community Housing Corporation (TCHC) has begun a restructuring of its on-site staff and operations model. Central to this restructuring is the establishment of Tenant Service Hub locations throughout the TCHC portfolio. In addition to being highly functional work spaces for TCHC staff, these Tenant Service Hubs will also serve as important points of local interaction with tenants.

To this end, TCHC issued public RFP 19439 in order to retain consultant teams, led by architects, to deliver design and contract administration services for approximately 55 TCHC locations. The Tenant Service Hub sites have been divided into 9 groups of approximately 8-12 sites per group.

Brown and Storey Architects Inc. was awarded Group 4 under RFP 19439 (VAC 19696), originally containing 12 locations. Four have subsequently been removed from their scope and Brown and Storey currently have eight (8) locations that they are designing.

The project, including work related to this change order, is expected to be completed by the end of 2023, weather permitting and with no delays due to COVID-19.

**REASONS FOR RECOMMENDATIONS:**

The requested change order is required to cover revisions to the original design and additional contract administration associated with four (4) of the Tenant Service Hubs. These hubs include Northcliffe Blv, (Hub 36), Lambert Court (Hub 39), Senator D. Croll (Hub 40) and Asquith Park (Hub 53). Reason for revisions include extension of the construction schedule at some locations, TCHC directed revisions and unforeseeable site conditions as noted below:

- Northcliffe Blvd (Hub 36) construction delayed by the release of the permit. The delay triggered the contractor previously awarded the job to submit a request for cost increases, which TCHC did not agree to.

TCHC is retendering this hub which requires additional work from the consultant; and

- Lambert Lodge (Hub 39) was designed and submitted for permit in 2021. Lessons learned from other completed hubs have been gathered and included in older designs that have not been built. TCHC requested the consultant to make adjustments to materials and increased scope in the design stage to avoid change orders that were needed on the initial sites.
- Senator D. Croll (Hub 40) construction duration has been extended an additional 6 months due to revisions to the IT/security scope and contract administration needs to be extended accordingly. A redesign of the IT/Security systems is needed due to conditions observed onsite, which require rerouting of conduits that connect the IT rack/server to the head end equipment.
- Asquith Park (Hub 53) construction duration has been extended an additional 4 months due to scope revisions and the contract administration needs to be extended accordingly.

The work covered by this change order represent extensions of construction administration services. The current contract administrator can complete the work and maintain continuity service with respect to site review and certification of payment duties. In addition, this additional cost should be awarded to the original consultant in order to maintain liability for the original design.

To date, \$259,704.47 in change orders have been issued to Pancon. With approval of this request, total cumulative change orders equal \$268,110.62 and is equivalent to 200.98% of the original purchase order issued as shown in Table 1. The revised total contract amount is \$401,511.12

**Table 1: Change Order Summary**

# of CO's	Scope of Work	Reason for Change	Value	
1	3	Committee of Adjustment applications and minor variances	City Requirement	\$11,358.64
2	1	Sprinkler revisions, City Receipt Record Disclosure, Design	Design Omission/Change	\$26,176.17
3	4	Design and contract administration fees, Credit to PO for Removal of hubs, revisions during tender period, design changes, structural review, exterior work, etc.	TCHC Directed	\$64,307.50
4	1	Relocation of offices, design and contract administration	Unforeseen Site Conditions	\$18,000.00
5	1	Additional Contract Administration Fees	Pending	\$107,830.00
<b>Approved Change Orders to Date</b>			<b>\$211,092.31</b>	
Recommended Change Order			\$107,830.00	
<b>Total Cumulative Change Orders</b>			<b>\$318,922.31</b>	
Original contract awarded (VAC 19007)			\$300,000.00	
Revised contract amount			\$618,922.31	
<b>Cumulative Change Order %</b>			<b>106.31%</b>	

**IMPLICATIONS AND RISKS:**

The Design Manager, in consultation with other Facilities Management staff have reviewed the submitted change orders and supporting documents from Brown and Story Architects Inc. The submitted price and breakdown were found to be in line with the prices of other TCHC consultants and acceptable for the work.

Performance will 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 for the change order award is within the program budget of the 2022 Capital Budget.

**SIGNATURE:**

*“Allen Murray”*

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Allen Murray  
Vice President, Facilities Management

**STAFF CONTACT:**

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