



Change Order: Design Revisions and an Extension to Contract Schedule for the Tenant Service Hub Projects at Centennial Apartments, McClain Park Apartments and Kingston Road

Item 5

July 20, 2021

Building Investment, Finance and Audit Committee

Report: BIFAC:2021-66

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

From: Vice President, Facilities Management

Date: July 12, 2021

PURPOSE:

The purpose of this report is to seek the BIFAC's approval for the change order to Century Group Inc. ("CGI") for design revisions and an extension to the contract schedule for three Tenant Service Hub projects at Centennial Apartments, McClain Park Apartments and Kingston Road.

RECOMMENDATIONS:

It is recommended that the BIFAC approve the following recommendations:

- (a) Approve the change order to Century Group Inc. for design revisions to the projects scope of work and contract schedule extensions for the following three Tenant Service Hubs:
- \$400,169.05 (exclusive of taxes) for the Centennial Apartments (5 Wakunda Place) Tenant Service Hub as follows;
 - \$103,846.15 for construction extension from the original substantial performance date of April 8, 2021 to the new substantial performance date of October 11, 2021 (27 weeks); and

- \$296,322.90 for additional scope of work to complete construction (includes construction contingency);
 - \$277,098.20 (exclusive of taxes) for the McClain Park Apartments (10 Glen Everest Road) Tenant Service Hub as follows;
 - \$111,538.46 for construction extension from the original substantial performance date of March 31, 2021 to a new substantial performance date of October 18, 2021 (29 weeks).
 - \$165,559.74 for additional scope of work to complete construction (includes construction contingency);
 - \$51,570.00 (exclusive of taxes) for the Kingston Road (520 Kingston Road) Tenant Service Hub as follows;
 - \$50,000.00 for construction extension from the original substantial performance date of March 24, 2021 to the new substantial performance date of June 2, 2021 (13 weeks);
 - \$1,570.00 for additional scope of work to complete construction (includes construction contingency); and
- (b) Authorize the appropriate staff to take the necessary actions to give effect to the above recommendations.

REASONS FOR RECOMMENDATIONS:

Background

To continually improve service levels for tenants, TCHC has restructured its on-site staff and operations model. Central to this restructuring is interior building improvements and the establishment of new Tenant Service Hub locations throughout the TCHC portfolio. These Tenant Service Hubs serve as important points of community interaction for tenants, a place to access complete services, and a highly functional work space for TCHC staff.

In September 2020, the following contracts were awarded to CGI for Tenant Service Hub construction based on the outcome of Request for Proposals (“RFP”) 20123-PP:

- \$576,449.57 (exclusive of taxes) for Centennial Apartments (5 Wakunda Place);

- \$425,295.88 (exclusive of taxes) for McClain Park Apartments (10 Glen Everest Road); and
- \$431,323.94 (exclusive of taxes) for Kingston Road (520 Kingston Road).

Per the RFP 20123-PP, the construction plans included a scope of work that included interior demolition, new partition walls, interior finishes, electrical, mechanical, IT, security related work, and the creation of a new laundry room.

Change Order Recommendation

This change order is recommended to cover the additional costs associated with design revisions to the projects scope of work and for costs associated with contract extensions. The change order has been broken-down into three categories:

1. *Updating of Documents (Additional Scope of Work):* Changes required to close the gap between the early, preliminary drawing set issued for pricing and the later "Issued for Construction" which captures the complete project scope (notably IT, security, mechanical and electrical work).
2. *Contract Extension:* Changes to the contract specifically related to the extension of the original project schedule. Mostly these are contractor General Requirement and Conditions that include items such as site mobilization, equipment rentals, in-house labor and administrative costs.
3. *Construction Contingency:* Changes due to unforeseen existing conditions, owner initiated revisions and other conventional changes that would be expected in the normal course of any construction project delivery.

Table 1: Change order breakdown

Tenant Service Hub	Change Order Category			Total
	Updating of Documents	Contract Extension	Construction Contingency	
Centennial Apartments	\$224,322.90	\$103,846.15	\$ 72,000	\$400,169.05
McClain Park Apartments	\$115,559.74	\$111,538.46	\$ 50,000	\$277,098.20
Kingston Road	\$155,236.62 <i>Already approved. Not included in this recommended change order. See Confidential Attachment 1.</i>	\$50,000.00	\$1,570.00	\$51,570.00

See Confidential Attachment 1 for a summary of change orders to date by project, including the recommended change order.

IMPLICATIONS AND RISKS:

The change order is recommended for the delivery of the three Tenant Service Hubs before the end of 2021, and to ensure that the additional work is completed within the extended time frame.

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.

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 Board (TCHC:2020-88).

SIGNATURE:

“Allen Murray”

Allen Murray
Vice President, Facilities Management

Confidential Attachment 1: Change Order Summary

Reason for Confidential Attachment: Third party commercial information supplied in confidence and commercial information belonging to TCHC that has monetary value or potential monetary value and whose disclosure could reasonably be expected to be injurious to its financial interests.

Confidential Attachment 2: Additional Information Regarding Recommended Change Order

Reason for Confidential Attachment: Matters that are not required to be disclosed under the *Municipal Freedom of Information and Protection of Privacy Act*, including but not limited to a proposed or pending transaction with a third party.

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