



Contractor Award: Comprehensive Retrofit - Envelope, Mechanical and Electrical at 828 Kingston Road (VAC 22402/RFQ 22126-PP)

Item 7D

September 29, 2022

Board of Directors

Report: TCHC:2022-60

To: Board of Directors (the “Board”)

From: Building Investment, Finance and Audit Committee (“BIFAC”)

Date: September 22, 2022

PURPOSE:

The purpose of this report is to seek the Board’s approval to award work totaling up to \$12,869,300.00 (exclusive of taxes) to Trinity Services Ltd. (“Trinity”) for comprehensive retrofit - envelope, mechanical and electrical at 828 Kingston Road based on the outcome of Request for Quotations (“RFQ”) 22126.

BIFAC approval is required for this award as it exceeds the \$2.5 million financial approval limit of TCHC’s Procurement Award Committee (“PAC”), and Board of Directors (the “Board”) approval is required as it exceeds the \$5 million financial approval limit of the BIFAC.

RECOMMENDATIONS:

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

1. approve the award of work to Trinity Services Ltd. for \$12,869,300.00 (exclusive of taxes) for the comprehensive retrofit - envelope, mechanical and electrical at 828 Kingston Road (Glen Stewart Acres, Dev. 112) based on the outcome of RFQ 22126-PP; and

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

BIFAC:

This report was approved by the BIFAC on September 8, 2022. As requested by the BIFAC, additional information on the expected energy reduction of the retrofit project is included in this Board report.

PROJECT BACKGROUND:

Glen Stewart Acres (828 Kingston Road) consists of a 7-storey apartment building totaling 147 units and was built in 1962.

828 Kingston Road has been identified as requiring comprehensive retrofits due to high capital need and high energy consumption.

The project is expected to take approximately 36 months. Any significant delays in issuing the purchase order will have an impact on the construction schedule.

REASONS FOR RECOMMENDATIONS:

TCHC retained Enform Architects Inc. (“Enform”) under RFQ 20284 to investigate, provide recommendations, prepare specifications, scope of work and RFx documents, and provide contract administration services for the retrofit. The scope of work identified includes:

- Structural and masonry repairs, including balcony slab
- Preparation of the building envelope for new insulation and overcladding
- Supply and installation of new insulation and overcladding
- Replacement of windows, balcony doors, exterior doors, railings, canopies, and balcony guardrails
- Replacement of natural gas boilers and in-suite radiators with electrical Variable Refrigerant Flow (“VRF”) systems with in-suite air-conditioning units allowing better temperature control
- Replacement of natural gas based domestic hot water system with electrical heat pumps
- Supply and installation of in-suite electrical energy recovery ventilators

- Replacement of gas fired make-up air units with electrical make-up air units to serve corridors
- Replacement of existing transformer with a higher capacity transformer to support the new electric based mechanical equipment

O'Keefe and Associates were also retained by TCHC as the cost consultant for this project to establish the budget and develop cost estimates throughout the course of design in close co-ordination with Enform. Enform reviewed and confirmed the cost estimate and bid analysis prepared by O'Keefe and Associates.

Based on the energy retrofits included in this project, we expect that the total amount of energy used in the building will decrease by approximately 50% per year. This energy reduction equates to a simple payback of approximately 46 years.

PROCUREMENT PROCESS:

RFQ 22126 was issued on April 20, 2022 and closed on June 13, 2022. Five (5) submissions were received. The submissions were evaluated through a two stage process to determine qualified vendors based on rated criteria and pricing.

- **Stage 1** – Mandatory requirements: Strategic Procurement staff reviewed the submissions for mandatory requirements. All submissions met the mandatory requirements.
- **Stage 2** – Pricing: Submitted pricing was evaluated to determine the lowest price.

Trinity submitted the lowest priced qualified submission. A bid confirmation meeting was held on July 11, 2022, facilitated by Strategic Procurement and attended by representatives from Facilities Management, O'Keefe & Associates Ltd., and Enform. Trinity confirmed their understanding of the scope, capacity to complete the project and the submitted price via a bid confirmation email received July 13, 2022.

The recommendation is to award the work to Trinity as the lowest priced qualified submission.

See **Confidential Attachment 1: VAC 22402 /RFQ 22126 Procurement Process** for a summary of submissions.

IMPLICATIONS AND RISKS:

In the bid confirmation meeting, Trinity Services Ltd. advised that they have capacity for these projects due to some of their other large projects being completed in 2022. Trinity Services Ltd. subsequently provided a staffing plan showing distinct key personnel for each location along with resumes and copies of their credentials. Enform Architects Inc. will provide contract administrative services to ensure the work is delivered in accordance with the design and specifications, on budget and on time.

A third party health and safety monitoring agent will also be retained to conduct health and safety site inspections during construction.

An invitational RFQ was issued and the recommendation is based on awarding the work as per the RFQ requirements. Thus, the risk of a proponent challenging the awarding of the contract is minimized.

Entry into tenant units is required. Key holder services will be engaged by TCHC. Timely and appropriate notification will be provided to tenants to notify them of entry into their units and any planned disruptions and restrictions.

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 this award is within the program budget of the 2022 Capital Budget. Funding for future years budgets will be requested within the 2023-2026 Capital Budgets. Confidential Attachment 2 provides information on source and use of funds.

SIGNATURE:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

ATTACHMENTS:

Confidential Summary of Submissions

Attachment 1:

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 Source and Use of Funds/Budget Allocation

Attachment 2:

Reason for Confidential Attachment: Information related to the security of the property of TCHC and commercial and financial information of TCHC that has monetary value or potential monetary value.

STAFF CONTACT:

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