

Toronto Community Housing

**Design Revisions and Enhanced Contract Administration at 4100,  
4110 Lawrence Avenue East (Lawrence Galloway)**

Item 8J

November 3, 2021

Building Investment, Finance and Audit Committee

**Report: BIFAC:2021-116****To:** Building Investment, Finance and Audit Committee  
("BIFAC")**From:** Vice President, Facilities Management**Date:** October 26, 2021**PURPOSE:**

The purpose of this report is to seek the BIFAC approval to LGA Architectural Partners ("LGA") for \$607,519.64 (exclusive of taxes) for design revisions and enhanced contract administration services at 4100 and 4110 Lawrence Avenue East (Lawrence Galloway; Dev. 23). The change order is being requested to reconcile the percentage based architectural design fees to reflect the increase in cost between the initial cost estimate and the construction bid value per the agreement under RFP 18364. The change order also includes enhanced contract administration services.

BIFAC approval is required for the recommended change order, as the cumulative 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 the following recommendations to:

1. approve LGA Architectural Partners ("LGA") for \$607,519.64 (exclusive of taxes) in order to reconcile the consultant's percentage based fee and for the provision of enhanced contract administration services at 4100 and 4110 Lawrence Avenue East (Lawrence Galloway; Dev. 23).; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

### **REASONS FOR RECOMMENDATIONS:**

#### Background

Lawrence Galloway consists of 2 multi-unit residential buildings. 4100 and 4110 Lawrence Avenue East are 11 storey buildings built in 1972 with 185 residential units in each. The envelope and associated elements (walls, windows, balcony doors, balcony slabs) at the buildings were observed to be in poor condition and in need of upgrading due to extensive water penetration into tenant units. LGA was initially retained (RFP 18364/VAC 18687) to investigate, provide recommendations, prepare design, specifications, scope of work and RFx documents, and provide contract administration services.

Mechanical and electrical systems were also reviewed by the consultant team as part of the initial investigation. Many mechanical and electrical systems were identified to be nearing end of life and in need of repair. As the project has since been identified as a potential holistic project, TCHC decided to add select mechanical and electrical scope as part of the envelope project. Trinity Services Ltd. was awarded the construction work

under RFQ 20317/VAC 21159 (job number fm-443619) for the holistic project at 4100 Lawrence Ave. E and under RFQ 20317/VAC 21158 (job number fm-443618).

### Change Order Recommendation

Change order amount and scope: \$607,519.64 for design revisions and enhanced contract administration services at Lawrence Galloway. Services are described below:

#### Contract revisions:

- \$94,569.64: Fee reconciliation of architectural services based on the construction bid value and design rate fee of 4.7% established as part of RFP 18364.
- Additional design services:
  - \$10,900.00: Revisions to the community room, exercise room, and Del Property Management Inc. (Del) office:
  - \$5,700.00: Additional cost estimate update.
  - \$2,420.00: Code review of stairwell doors.
  - \$3,650: Additional tenant engagement sessions.
  - \$4,100: Splitting of tender preparation and permit revisions for two separate submissions.
- \$185,100.00: Reconciliation of contract administration services based on the actual construction schedule.
  - The significant additional interior, mechanical and electrical scope of work that was added during the design phase has resulted in additional weeks of construction requiring more on-site meetings and a longer contract administration phase than originally accounted for.
- \$301,080.00: Enhanced contract administration services:
  - Requested by TCHC, this includes additional services to maintain rigorous oversight of the work quality delivered by the contractor and to maintain the proposed construction schedule.
  - The additional services are requested as a risk mitigation measure due to business unit concerns over the significantly low contractor bid.

- The fee includes for 50 full day site reviews by the building envelope sub-consultant and weekly site reviews by an architect for the duration of project.
- The fee also includes for enhanced construction project management services; monthly reviews of schedule, review of projected vs. actual cash flow, and other corresponding reporting to ensure contractor adherence to schedule and budget.

**Table 1: Purchase Order and Change Order Summary**

CO No.	VAC #	Approval Date	Description	Reason	Individual CO Amount
1	n/a	01/27/2020	Mechanical riser and swing stage investigation (fm-440803)	Design Revision	\$12,535
2	n/a	07/20/2020	Addition of mechanical and electrical design scope and corresponding architectural coordination, arborist report (fm- 440803)	Design Revision	\$102,498
3	n/a	09/14/2020	Reimbursement of building permit fees (fm-440803)	TCHC Directed	\$14,436.58
4	n/a	02/11/2021	Incorporate mechanical items raised by retro-commissioning process into design scope. (fm- 440803)	TCHC Directed	\$8,000
5	Pending	Pending	Design revisions and enhanced contract administration services (to be split between fm-440803, fm-443618, fm-443619)	TCHC Directed	\$607,519.64
Cumulative approved change orders to date					\$137,469.58
Change order as requested in this report					\$607,519.64
<b>Total Cumulative change orders</b>					<b>\$744,989.22</b>

Original contract awarded (VAC 18687)	\$564,000
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### **IMPLICATIONS AND RISKS:**

The change order is being requested to reconcile the percentage based architectural design fees to reflect the increase in cost between the initial cost estimate and the construction bid value. The change order also includes enhanced contract administration services. This change order is recommended as it allows TCHC to mitigate potential risks presented by the contractors significantly low bid by providing additional oversight, support and quality control on site.

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 TCHC Board (TCHC:2020-88).

### **SIGNATURE:**

*"Allen Murray"*

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Allen Murray

Vice President, Facilities Management

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