

Toronto Community Housing



**Change Order: Addition to Contract for security camera updates, improved insulated corner detail, Constructor Role Cash Allowance, and Staircase exterior finishing for the re-cladding project at 110 Mornelle Court (441240)**

Item 8L

November 3, 2021

Building Investment, Finance and Audit Committee

**Report: BIFAC:2021-118**

**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 of a change order to Tritan Inc. for \$180,013.47 (exclusive of taxes) for 110 Mornelle Court (Dev 6). 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 a change order to Tritan Inc. for \$180,013.47 (exclusive of taxes) for 110 Mornelle Court (Dev 6); and
2. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

## **REASONS FOR RECOMMENDATIONS:**

### Background

110 Mornelle Court (Dev. 6, Mornelle/Ellesmere), is located north of Ellesmere Road, west of Morningside Avenue in Scarborough. This development was constructed in 1971 and is made up of one 15-storey apartment building. The units within this high rise consist of one, two, and three bedroom apartments, totaling 145 units.

In response to staff concerns regarding the condition of the exterior envelope, Design and Engineering (D&E) staff inspected the site and the following issues were observed:

- Spalling and cracking at exterior masonry walls;
- Masonry wall assembly is un-drained;
- Significant mortar deterioration, efflorescence and water stains inside the units were visible.

In October 2019, a contract was awarded to Tritan Inc. for \$2,440,960.00 (exclusive of taxes) based on the outcome of RFP 19303. The specified scope of services included: Concrete repairs, brick replacement, repoint deteriorated mortar joints, new helical anchors, new soft joints, new over clad on the exterior masonry walls, new balcony railings and new waterproofing, new ground floor perimeter doors at the ground floor, and hazardous material (HAZMAT) abatement.

### Change Order Recommendation

A change order of \$180,013.47 is being requested as an addition to the contract for the following items:

- \$101,167.50: to upgrade the Security/Camera System to meet current TCHC standards. Standards have been updated since the original tender of this project.
- \$53,845.97 for revisions to the recladding/insulation design in order to address significant thermal bridge at the building's concrete shear exterior detail.

- \$25,000.00: Repair of a detached staircase structure, identified during the construction process.
- \$45,753.95: Masonry Wall Repairs at ground level and second floor due to extensive deterioration revealed during the course of construction.

The project is now slated to be completed by end of year rather than October 31, 2021.

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

CO No.	VAC no. / Approval Date	Description	Reason	Individual CO Amount
1	Feb. 19, 2020 via COR	Constructor Role Cash Allowance	TCHC Directed	\$ 60,000.00
2	May 26, 2020 via COR	Extra cost to cover the labor, material, and other associated construction cost increase with the use of Exterior Insulation and Finish Systems (“EIFS”) for re-cladding per additional compliance measures identified through collaboration with TCHC and TFS Extras on masonry repairs and parapet wall extensions	TCHC Directed and Design Change	\$ 189,150.00
3	Feb. 5, 2021 VAC #20532B	<ul style="list-style-type: none"> <li>• Increase to Constructor Role Cash Allowance (\$50,000)</li> <li>• Unforeseeable site conditions with regards to balcony guard safety compliance, Telecommunications Costs, Structural Reinforcement at Balcony Slab Edges, and Window Recesses (\$428,607.79)</li> </ul>	TCHC Directed and Unforeseen Conditions	\$ 478,607.79
4	Pending - TBD	<ul style="list-style-type: none"> <li>• Security System Replacement (\$101,167.50)</li> <li>• Improved corner insulation detail (\$53,845.97)</li> <li>• Detached staircase exterior finishing (\$25,000)</li> </ul>	TCHC Directed and Unforeseen Conditions	\$ 180,013.47

Cumulative approved change orders to date	\$ 727,757.79
Change order as requested in this report	\$ 180,013.47
<b>Total Cumulative change orders</b>	<b>\$ 907,771.26</b>
Original contract awarded (VAC 19583 – attached)	\$ 2,440,960.00
<b>Cumulative CO % of contract award/purchase order</b>	37.19%

### **IMPLICATIONS AND RISKS:**

The change order is recommended for the delivery of the project, addressing unforeseen site conditions at the building. It is also recommended for risk management by extending constructor services, as multiple contractors will be onsite for the duration of the project.

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 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

### **STAFF CONTACT:**

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