

Toronto Community Housing

**Change Order: Additional Security Services at Swansea Mews**

Item 7A

April 24, 2023

Board of Directors

Report: TCHC:2023-14**To:** Board of Directors (the "Board")**From:** Building Investment, Finance and Audit Committee
("BIFAC")**Date:** March 6, 2023**PURPOSE:**

The purpose of this report is to seek the Board's approval of a change order of up to \$1,950,000.00 (exclusive of taxes) to Universal Protection Service of Canada Corporation D.B.A. Allied Universal Security Services of Canada for security services at Swansea Mews.

BIFAC approval is required for this change order as the cumulative change orders exceed 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:

1. approve a change order to Universal Protection Service of Canada Corporation D.B.A. Allied Universal Security Services of Canada for up to \$1,950,000.00 (exclusive of taxes) for security services at Swansea Mews comprised of:
 - a. \$1,200,000.00 (exclusive of taxes) for security services at Swansea Mews, between June 1, 2022 and December 31, 2022;

- b. \$750,000.00 (exclusive of taxes) for projected security services to be provided at Swansea Mews from January 1, 2023 and during 2023 to the remainder of the existing contract term; 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 March 6, 2023.

REASONS FOR RECOMMENDATIONS:**Decision History**

At its meeting of September 27, 2018, the Board of Directors approved the award of a contract to G4S Canada (G4S) for up to \$43M (exclusive of taxes) for the provision of security services, fire picket services and key holder services for a term of five years (three years with the possibility of two additional one-year terms at TCHC management's discretion and contractor performance).

At its meeting of June 28, 2022, the Board of Directors approved change orders to Universal Protection Service of Canada Corporation D.B.A. Allied Universal Security Services (Formerly G4S Canada) ("Allied Universal") of up to \$28,301,603 (exclusive of taxes) for third-party contract security services ending November 14, 2023:

- a. \$5,925,587 is the amount overspent on security services by TCHC as of April 30, 2022; and
- b. \$22,376,016 is the forecasted spend for May 1, 2022 to November 14, 2023.

[Board Meeting of June 28, 2022 – Item 8C - Change Order: Additional Funding for Third-Party Security Services](#)

Background

On Friday May 27, 2022, a piece of bedroom ceiling collapsed in a townhome unit in Toronto Community Housing Corporation's ("TCHC") Swansea Mews community. The piece of ceiling landed on and seriously injured a person. First responders and TCHC's Community Safety Unit responded to the scene, and the victim was transported to hospital.

Given the root cause of the ceiling falling, and that it could potentially occur in other units, all tenants who lived at Swansea Mews moved to temporary

accommodations and third party security services were required at the site given that the entire community had been vacated.

From June 1, 2022 to December 31, 2022, contract security staffing provided by Allied Universal, TCHC's Vendor of Record for security services, was on-site 24 hours, seven days a week at a total cost of \$1.2M. Nine guards comprised a 24/7 static detail, positioned at each townhouse complex, with guards working a 12 hour rotation. Three guards were present to provide security for construction personnel entering units and tenants making appointments to remove property from their units.

From January 1, 2023 to the end of TCHC's contract with Allied Universal (November 15, 2023), CSU projects spending approximately \$750,000.00 at Swansea Mews with the present level of two guards on-site 24 hours per day, seven days per week. The \$750,000 includes \$100,000 for unforeseen requests such as potential key holder services to provide access to units for residents, contractors or inspectors.

The Swansea Mews community has been secured with fencing around the entire community. This prevents access to the community on all sides and requires persons to enter the community through designated access points, which are staffed by Allied Universal.

The change order amount is for up to \$1.95M (exclusive of taxes). This amount does not include any money previously budgeted for Swansea Mews that would have been utilized if the community had not been vacated.

The original awarded amount to Allied Universal was \$42M. On June 28, 2022, the Board of Directors approved a change order in the amount of \$28M. With the approval of this request (\$1.95M), the total cumulative contract amount will be just under \$73M.

The \$1.95M spend for Swansea Mews from June 1, 2022 to November 15, 2023 (end of TCHC's contract with Allied Universal) will be funded as follows:

- The \$1.2M spent in 2022 was funded through overall savings; and
- The \$750,000 projected spend for 2023 will go against the insurance claim that is part of the ongoing discussions for Swansea Mews.

Table 1: Purchase Order and Change Order Summary

CO No.	VAC #	Approval Date	Description	Reason	Individual CO Amount
1		Pending	Static Security, Fire Watch & key Holder Services	Reconcile current Contract	\$1,950,000.00
Cumulative approved change orders to date					\$28,301,603.00
Change order as requested in this report					\$1,950,000.00
Total Cumulative change orders					\$30,251,603.00
Original contract awarded (VAC 18514)					\$42,358,247.00
Revised total contract amount					\$72,609,850.00
Cumulative CO % of contract award/purchase order					71.42%

IMPLICATIONS AND RISKS:

Given the root cause of the ceiling falling, and that it could potentially occur in other units, all tenants who lived at Swansea Mews moved to temporary accommodations and third party security services were required at the level of two guards, 24 hours per day and seven days per week given that the entire community had been vacated from the site.

TCHC's Contract with Allied Universal will expire in November 2023. Staff have begun work on developing a new RFP for third party security services.

SIGNATURE:

"Allan Britton"

Allan Britton
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STAFF CONTACT:

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