



## Building Investment, Finance and Audit Committee

931 Yonge Street,  
Toronto, M4W 2H2

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The Building Investment, Finance and Audit Committee (“BIFAC”) of the Toronto Community Housing Corporation (“TCHC”) held a virtual Public meeting on July 27, 2022, via WebEx, commencing at 9:57 a.m.

**BIFAC Directors Present:** Adele Imrie, Chair  
Nick Macrae  
John Campbell  
Mohammed Haque

**BIFAC Directors Absent:** Naram Mansour  
Brian Smith  
Deputy Mayor Ana Bailão

**Management Present:** Jag Sharma, President and Chief Executive Officer (“CEO”)  
Darragh Meagher, General Counsel & Corporate Secretary  
Rose-Ann Lee, Chief Financial Officer & Treasurer  
Kelly Skeith, Acting Chief Development Officer (10:29 a.m. – 10:44 a.m.)  
Barbara Shulman, Interim Vice President, Human Resources  
Luisa Andrews, Vice President, Information Technology Services  
Paula Knight, Vice President, Strategic Planning and Communications  
Allen Murray, Vice President, Facilities Management  
Adriana Morariu, Manager, Manager, Payroll, Pension & Benefits  
Albert Koke, Senior Director, Strategic Procurement

Anita Tsang-Sit, Director, Risk Management and Insurance  
Richard Grotsch, Acting Senior Director, Business Operations  
Allan Britton, Acting Senior Director, Community Safety Unit  
Jeff Sharp, Director, Property Accounting  
Raymond Yip, Director, Expenditures & Financial Controller  
Karim Jessani, Director, Internal Audit  
Christine Yan, Acting Assistant Corporate Secretary

A quorum being present, Ms. Imrie, serving as Chair, called the meeting to order, and Ms. Yan served as recording secretary.

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**ITEM 1 CHAIR’S REMARKS**

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The Chair welcomed everyone to the BIFAC meeting, noted the Acknowledgement of the Land and notified everyone that due to the need for social distancing to limit the spread of COVID-19, TCHC is holding this BIFAC meeting virtually.

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**DEPUTATIONS**

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The Chair polled for any deputations to be heard at the meeting. No deputations have been received.

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**ITEM 2 APPROVAL OF PUBLIC MEETING AGENDA**

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*Motion carried*      **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC approved the Public meeting agenda for the BIFAC’s July 27, 2022 meeting.

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**ITEM 3 CHAIR'S POLL RE: CONFLICT OF INTEREST**

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The Chair requested members of the BIFAC to indicate any agenda item in which they had a conflict of interest, together with the nature of the interest. **No conflicts were declared.**

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**ITEM 4 CONFIRMATION OF MINUTES OF THE PUBLIC BIFAC MEETING OF JUNE 17, 2022**

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*Motion carried* **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC confirmed the above-captioned minutes without amendments.

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**ITEM 5 BUSINESS ARISING FROM THE PUBLIC MEETING MINUTES AND ACTION ITEMS UPDATE**

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*Motion carried* **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC received the matters reported as Business Arising from the Public Meeting Minutes and Action Items Update as of June 17, 2022 for its information.

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**ITEM 6 CHANGE ORDER: EMPLOYEE BENEFIT CARRIER SERVICES (VAC22344/ RFP 17296)**

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BIFAC:2022-110

The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Shulman provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- It was provided that the business unit has implemented steps to prevent this situation (of a large change order for a spend over the lifetime of a contract) from occurring in the future, which include building in accountability and oversight for contract management, quarterly reconciliations on contracts, and a broader corporate process undertaken by Strategic Procurement to maintain a master database of all contracts across the organization.

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- The increased spend of the current contract was largely driven by the increased headcount as a result of the funding model approved by the City of Toronto (the “City”) in 2019 and the repatriation of contract-managed buildings. Human Resources will continue to monitor headcount changes and conduct annual reconciliations to align the employee benefit costs. Given the tight fiscal constraints, substantial headcount increases are not anticipated in the near future.
- Action item: Management to report back on the benefits received by TCHC employees in monetary terms in the current contract with Medavie Inc.
- It was clarified that the recommended amount of \$11M in Recommendation 1(a) is to cover the balance of Year 5 while the amount of \$15M in Recommendation 1(b) is to cover the cost of the entire Year 6.
- As a result of key corporate priorities arising in the first half of 2022, TCHC’s capacity was constrained to dedicate the sufficient expertise, time and resources to undertake a complex RFP process for new benefits carrier services. Extending the existing agreement with Medavie Inc. for one additional year (up to December 31, 2023) will provide sufficient time and diligence to undertake a new RFP process.
- A concern was raised around TCHC Board/Committee approving a contract where Toronto Seniors Housing Corporation (“TSHC”) will be paying part of the amount directly, without knowledge of whether this part of budget has been approved by the TSHC Board. It was provided that during the course of negotiations of the Transition Agreement with TSHC prior to the June 1, 2022 transition, extensive financial disclosure was provided to TSHC regarding the employee costs that it would assume through the transfer. By approving the Transition Agreement, the TSHC Board approved the financial obligation that they have assumed through the Agreement.
- It was agreed that, moving forward, representatives of Human Resources and Finance from TSHC be involved in the RFP process of contracts where TCHC is the master agreement holder and TSHC will be paying the vendor directly for the part of services they receive.

*Motion carried*      **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Macrae and carried, the BIFAC unanimously approved and

forwarded to the Board for approval the following recommendations, as set out in Report BIFAC:2022-110, to:

1. Approve a change order to Medavie Inc. (operating as Medavie Blue Cross) for \$30,038,993.86 (exclusive of taxes) for additional spend within the original term (Year 1 to 5) of the TCHC and TSHC current employee benefit carrier services arrangement, plus a one (1) additional year request, with funding of the commitment allocated as follows:

TCHC:

- (a) \$11,423,368.86 to cover the balance of Year 5 (January 1, 2022 to December 31, 2022) of the contract;
- (b) \$15,531,250 for a one (1) year extension to the contract (Year 6: January 1, 2023 – December 31, 2023)

TSHC

- (c) \$1,115,625.00 to cover the balance of Year 5 (June 1, 2022 to December 31, 2022) of the contract;
- (d) \$1,968,750.00 for a one year extension to the contract (Year 6 January 1. 2023 to December 31, 2023);

2. Authorize the Vice President, Human Resources to execute a contract amendment with Medavie Inc. (operating as Medavie Blue Cross);
3. Authorize the Vice President, Human Resources to re-allocate costs as between TCHC and TSHC related to funding for the commitment related to this contract in accordance with changes in the staff complement of TCHC and TSHC, as applicable, during the remainder of the contract term; and

4. Authorize the appropriate staff to take the necessary actions to give effect to the above recommendations.

**VENDOR AWARD: DEMAND ELECTRICAL  
MAINTENANCE SERVICES (VAC  
22362/RFP 22023)**

**ITEM 7A**

BIFAC:2022-99

The above-captioned report was circulated to BIFAC members prior to the meeting.

*Motion  
carried*

**ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC unanimously approved and forwarded to the Board for approval the following recommendations, as set out in Report BIFAC:2022-99, to:

1. approve the award of work up to \$18,000,000.00 (exclusive of taxes) for demand electrical maintenance services at the rates established based on the outcome of Request for Proposal (RFP 22023) for a term of five years as follows:
  - (a) up to \$10,800,000.00 for the first three years of the contract; and
  - (b) up to an additional \$7,200,000.00 for two additional one-year terms at TCHC management's discretion; and
2. approve the award of work to the following vendors based on the outcome of RFP 22023.
  - (a) ARC Electrical (2618064 Ontario Incorporated)
  - (b) Igman Electric Ltd.
  - (c) Oak Ridge Building Solutions Inc.
  - (d) Pegasus Electric Company Ltd.; and

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

**VENDOR AWARD: ALL INCLUSIVE  
PREVENTIVE MAINTENANCE SERVICES  
AND DEMAND REPAIRS FOR FAN COIL  
UNITS AND PACKAGED TERMINAL AIR  
CONDITIONER (PTAC) UNITS (VAC  
22305/RFP 22007)**

**ITEM 7B**

BIFAC:2022-101

The above-captioned report was circulated to BIFAC members prior to the meeting.

*Motion  
carried*

**ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC unanimously approved and forwarded to the Board for approval the following recommendations, as set out in Report BIFAC:2022-101, to:

1. approve the award of work to Midsteel Mechanical Ltd. for up to \$8,711,892.01 (exclusive of taxes) for all inclusive preventative maintenance services demand repairs for fan coil and PTAC units at the rates established based on the outcome of Request for Proposal (RFP 22007) for a term five (5) years as follows:
  - \$8,334,255.76 (exclusive of taxes) for preventive maintenance as follows:
    - i. \$5,062,592.25 for three (3) years of initial contract; and
    - ii. \$3,271,663.51 for two (2) additional one-year terms at TCHC management's discretion;
  - Up to \$377,636.25 (exclusive of taxes) for demand services (services of work outside of scope of work) as follows:
    - i. Up to \$225,000 for three (3) years of the initial contract; and

- ii. Up to an additional \$152,636.25 for two (2) additional one-year terms at TCHC management's discretion; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CONTRACTOR AWARD FOR GARAGE  
RESTORATION AT 40 GORDONRIDGE  
PLACE (VAC 22327/ RFQ22130 PP)**

**ITEM 7C**

BIFAC:2022-102

The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- It was confirmed that the contract with the contractor will not be executed until this award has been approved by the BIFAC and the Board.

*Motion  
carried*

**ON MOTION DULY MADE** by Mr. Macrae, seconded by Mr. Haque and carried, the BIFAC unanimously approved and forwarded to the Board for approval the following recommendations, as set out in Report BIFAC:2022-102, to:

1. approve the award of work to Trinity Services Ltd. for \$5,863,405.00 (exclusive of taxes) for garage restoration services at 40 Gordonridge Place as follows:
  - Phase 1 (2022): \$846,625.00
  - Phase 2 (2023): \$1,392,500.00
  - Phase 3 (2024): \$1,957,150.00
  - Phase 4 (2025): \$1,667,130.00



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

<b>ITEM 7D</b>	<b>REQUEST TO ADVANCE THE WATER EFFICIENCY RETROFITS PROGRAM</b>	BIFAC:2022-100
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The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- It was provided that through the quarterly reconciliation process, Facilities Management is able to forecast overspend and come forward with a change order to the BIFAC and/or the Board in advance.
- Preliminary analysis has shown positive results of the water efficiency retrofits program. With the budget availability, removal of the annual spending limit will allow TCHC to accelerate the program to help reduce water consumption and overall utility expenses sooner.

*Motion carried*      **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC unanimously approved and forwarded to the Board for approval the following recommendations, as set out in Report BIFAC:2022-100, to:

1. authorize spending to the remaining approved spend limit of up to \$20,000,000 (exclusive of taxes) approved in the program budget without the annual limitation of \$4,000,000.00 per year; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**DIRECT AWARD: ADDITIONAL DESIGN  
AND CONTRACT ADMINISTRATION FOR  
ENVELOPE AND MECHANICAL WORK AT  
ITEM 7E 40 TEESDALE PLACE (VAC22233) BIFAC:2022-103**

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The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- It was provided that the consultant was retained in 2016 to investigate and prepare a construction tender package for the over-cladding and window replacement projects at 30 and 40 Teesdale Place. The retrofit at 30 Teesdale has been completed. Based on the lessons learned through the delivery of 30 Teesdale Place, the direct award includes additional design scope for 40 Teesdale Place.
- The rationale of retaining the same consultant for 40 Teesdale Place via a direct award was elaborated. It was provided that the fees for the additional phases and services forming part of this Direct Award represent 4.5% of the estimated construction cost. As a basis of comparison, the same consultant was awarded the design and contract administration services for a similar project in 2020 as part of a competitive public procurement process with fees representing 5.9% for the same phases. If a similar project were to be tendered to the current list of pre-qualified consultants, the equivalent fees would represent approximately 6.1% of the estimated construction cost.

*Motion carried*      **ON MOTION DULY MADE** by Mr. Macrae, seconded by Mr. Haque and carried, by a vote of three in favour to one against, the BIFAC approved the following recommendations as outlined in Report BIFAC:2022-103, to:

1. approve a direct award to Taylor Smyth Architects for \$676,700.00 (exclusive of taxes) for the additional scope design, redesign, tender and contract administration services related to the second tower retrofit at Teesdale Pharmacy (40 Teesdale Place. Dev. 099) ; and

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

**CONTRACTOR AWARD: UNDERGROUND  
PARKING GARAGE REPAIRS &  
LANDSCAPE IMPROVEMENTS AT 3847  
LAWRENCE AVENUE EAST (VAC 22324/  
RFQ 22157 PP)**

**ITEM 7F**

**BIFAC:2022-109**

The above-captioned report was circulated to BIFAC members prior to the meeting.

*Motion  
carried*

**ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-109, to:

1. approve the award of work to Roma Building Restoration Limited for \$4,866,586.00 (exclusive of taxes) for garage repairs and landscaping as follows:

Phase 1: 2022:	\$1,569,790.00
Phase 2: 2023:	\$1,906,651.00
Phase 3: 2024:	\$1,390,145.00
Project Total:	\$4,866,585.00

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

**CHANGE ORDER: FINAL PROJECT  
CLOSE OUT AND RECONCILIATION OF  
CASH ALLOWANCE AT 415 DRIFTWOOD  
(VAC 22336/RFQ 19183)**

**ITEM 7G**

**BIFAC:2022-104**

The above-captioned report was circulated to BIFAC members prior to the meeting.

*Motion  
carried*

**ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-104, to:

1. approve a change order for \$73,630.73 (exclusive of taxes) to close out the project and reconcile cash allowance allocated for asbestos abatement and additional moving services at 415 Driftwood (Dev 025); and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CHANGE ORDER: CONSTRUCTION  
ADMINISTRATION FEES FOR PHASE 3  
BLEECKER STREET GARAGE REPAIRS  
(VAC22345)**

**ITEM 7H**

BIFAC:2022-105

The above-captioned report was circulated to BIFAC members prior to the meeting.

*Motion  
carried*

**ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-105, to:

1. approve a change order to Pancon Engineering Limited for \$8,406.15 (exclusive of taxes) for additional construction administration services associated with a construction cost increase of \$210,153.75 for repairs to the parking garage at 275, 325, and 375 Bleecker Street; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**CHANGE ORDER FOR ADDITIONAL  
CONSULTANT FEES FOR TENANT  
SERVICE HUBS (VAC22358/RFP 19439)** BIFAC:2022-113  
**ITEM 7I**

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The above-captioned report was circulated to BIFAC members prior to the meeting.

*Motion carried* **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC unanimously approved the following recommendations as outlined in Report BIFAC:2022-113, to:

1. approve a change order to Brown and Storey Architects Inc. for \$107,830.00 (exclusive of taxes) for additional contract administration costs associated with four (4) of the Tenant Service Hubs in their contract; and
2. authorize the appropriate staff to take the necessary actions to give effect to the above recommendation.

**RECONCILIATION OF PREVENTIVE  
MAINTENANCE AND DEMAND REPAIR  
PROGRAMS – Q1, 2022** BIFAC:2022-107  
**ITEM 7J**

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The above-captioned report was circulated to BIFAC members prior to the meeting.

Mr. Murray provided an overview of the report and was available to answer questions of the BIFAC. Highlights of the discussion include:

- It was provided that during the reconciliation process, staff look at both the approval limit to ensure the spend to date has not exceeded the annual approved amount, and forecasted amount for the rest of the year to identify if overspend is anticipated. Should overspend be anticipated, change orders will be brought forward in advance to ensure appropriate approval is secured for additional spending authority.
- It was recommended that a summary with numbers that indicate the quarterly estimate and the spend against the budget be included in the

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Quarterly Reconciliation Reports moving forward.

- Action item: Management to follow up with the BIFAC Chair on the summary of financial information required for the Quarterly Reconciliation Reports.

*Motion carried*      **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC received Report BIFAC:2022-107, being the Reconciliation of Preventive Maintenance and Demand Repair Programs report for the first quarter of 2022, for its information.

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**ITEM 8      Q2 2022 ITS UPDATE      BIFAC:2022-108**

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The above-captioned report was circulated to BIFAC members prior to the meeting.

*Motion carried*      **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC received for its information Report BIFAC:2022-108, being the ITS Update report for the second quarter of 2022.

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**ITEM 9      ANNUAL REVIEW OF BOARD, PRESIDENT AND CEO, AND EMPLOYEE EXPENSES      BIFAC:2022-96**

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The above-captioned report was circulated to BIFAC members prior to the meeting.

Ms. Lee provided an overview of the report and was available to answer questions of the BIFAC.

*Motion carried*      **ON MOTION DULY MADE** by Mr. Campbell, seconded by Mr. Haque and carried, the BIFAC received for its information Report BIFAC:2022-96, regarding the Annual Review of Board, President and CEO, and Employee Expenses.

**TERMINATION**

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A Motion to adjourn the meeting was moved by Mr. Campbell and seconded by Mr. Macrae. The public meeting terminated at 10:44 a.m.

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Secretary

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Chair, Building Investment,  
Finance & Audit Committee