



Change Order for Demand Repairs: Additional Funds for Elevator Demand Repairs (VAC19308/RFQ 19207)

Item 4F

March 8, 2022

Building Investment, Finance and Audit Committee

Report: BIFAC:2022-37

To: Building Investment, Finance and Audit Committee
("BIFAC")

From: Vice President, Facilities Management

Date: February 23, 2022

PURPOSE:

The purpose of this report is to seek the BIFAC's approval of the change order to Elcan Elevator Inc. for up to \$411,188.00 (exclusive of taxes) for the addition of demand repair services to the elevator maintenance contract for thirty four (34) elevators located in fifteen (15) buildings across the TCHC portfolio.

BIFAC approval is required for the recommended change order, as the cumulative amount of all change orders exceeds the \$2.5M financial approval limit of Toronto Community Housing's ("TCHC's") Procurement Award Committee.

RECOMMENDATIONS:

It is recommended that the BIFAC approve following recommendations to:

1. approve a change order to Elcan Elevator Inc. for \$411,188.00 (exclusive of taxes) for the addition of demand repair services to the elevator maintenance contract for thirty four (34) elevators located in fifteen (15) buildings; broken down as follows:
 - a. \$181,188.00 for previous spend
 - b. \$230,000.00 for forecasted spend to the end of the contract

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

PROJECT BACKGROUND:

Demand repairs to elevators are high priority. Work is done by the building elevator maintenance contractor on a 24/7 emergency basis. The demand scope of work includes repair work to elevators due to emergency repairs caused by vandalism, misuse and component replacement. These repairs are required for the safe operation of the elevator and to maintain elevator availability.

The original contract award included the cost for common elevator parts, but did not include provisions for demand repairs outside of the contracted scope or the labour associated with the component replacement.

The demand repair requests are assigned to the elevator vendor who was awarded the maintenance contract under public RFQ 19207/VAC 19308. The fifteen (15) buildings included in this contract are as follows:

- 1) Jane/Firgrove (5 Needle Firway; 2 elevators);
- 2) Humber Boulevard (121 Humber Boulevard; 2 elevators);
- 3) R.J. Smith Apartments (101 Kendleton Drive; 2 elevators);
- 4) Edna Dixon Apartments (540 Queen Street East, 1 elevator);
- 5) 200 Wellesley (6 elevators);
- 6) Moss Park (295 Shuter Street; 3 elevators);
- 7) Dan Harrison Community Complex (251 Sherbourne Street; 2 elevators);
- 8) Hydro Block (28 Henry Street; 1 elevator);
- 9) Kensington Manor (34 Oxford Street; 3 elevators);
- 10) Winchester Square (55 Bleecker Street; 2 elevators);
- 11) 55 The Esplanade (2 elevators);
- 12) Chestnut/Elizabeth (112 Elizabeth Street; 1 elevator);
- 13) Chestnut/Elizabeth (111 Chestnut Street; 2 elevator);
- 14) William Dennison Apartments (310 Dundas Street East; 2 elevators);
- 15) Dunn Avenue (245 Dunn Avenue; 3 elevators).

REASONS FOR RECOMMENDATIONS:

A change order is recommended to cover the cost of demand elevator repair services that were omitted from the original RFQ scope of work. The repairs are essential to keep the elevators operating safely.

Upon reconciliation it was discovered the original contract award amount included an amount priced by vendors to cover the replacement of common elevator parts only. As a result of completing demand repairs, the common parts replacement program has passed the full spend of the original contract award, though the total contract award has not been exceeded.

To date, no previous change orders have been approved for this program. With approval of this request, total cumulative change orders equal \$411,188.00 and are equivalent to 61.15% of the original purchase order issued as shown in Table 1. The revised total contract amount is \$1,083,598.00.

Table 1: Change Order Summary

Scope of Work		Reason for Change	Value
1	Addition of a demand repairs program to RFQ 19207	TCHC Directed	\$411,188.00
Approved Change Orders to Date			\$0.00
Recommended Change Order			\$411,188.00
Total Cumulative Change Orders			\$411,188.00
Original contract awarded (VAC 19308)			\$672,410.00
Revised contract award			\$1,083,598.00
Cumulative Change Order %			61.15%

IMPLICATIONS AND RISKS:

A change order is recommended to ensure the continued delivery of common parts replacement as well as demand repairs to the contract end date of May 31, 2024. The amount requested in this change order is based on the previous years' spend for the demand repairs, forecasted to 2024.

To mitigate risks, staff will continuously and rigorously monitor the performance of the contractors during the course of the contract.

Funding for the Change Order award is within the TCHC approved operating and capital budgets for elevator costs.

SIGNATURE:

“Allen Murray”

Allen Murray
Vice President, Facilities Management

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