



Facilities Management Direct Awards in Response to the May 27 Event at Swansea Mews

Item 7F

September 29, 2022

Board of Directors

Report: TCHC:2022-62

To: Board of Directors (the “Board”)

From: Building Investment, Finance and Audit Committee (“BIFAC”)

Date: September 8, 2022

PURPOSE:

The purpose of this report is to provide the Board with an update on Direct Awards issued by Toronto Community Housing Corporation (“TCHC”), pursuant to the Chief Executive Officer’s delegated authority to make Commitments, on behalf of TCHC, in cases of Urgency as part of TCHC’s response to the partial concrete panel failure at Swansea Mews and the Order to Remedy an Unsafe Building and Emergency Order subsequently issued by the City’s Chief Building Official.

RECOMMENDATIONS:

It is recommended that the Board receive this report for its information.

BIFAC:

This report was received by the BIFAC on September 8, 2022.

BACKGROUND:

On May 27, 2022, the underside of a structural concrete panel detached and fell in a bedroom of a townhome unit in Block H of the Swansea Mews community (the “May 27 Event”).

Following this incident, TCHC evacuated Block H and provided temporary accommodation a Swansea Mews households. TCHC engaged third-party architectural/structural engineers, CS&P Architects (“CS&P”) and WSP Global Inc. (“WSP”) to identify the factors that contributed to the May 27 Event. RJC Engineers were also retained separately by TCHC to provide an additional independent point of view and to ensure adherence to engineering principles, best practices and all related codes and regulations.

CS&P and WSP were already engaged with designs for a deep retrofit project at Swansea Mews which was planned to commence in 2023, and have extensive familiarity with the site. The planned retrofit included the complete gutting and retrofit of all units, all new interior finishes, as well as roofing work, repair of garage slabs, basement floor slabs, windows and exterior envelope upgrades.

Initial engineering reports completed after the May 27 Event, found defects with the manufacture of the ceiling slab dating back to the construction of Swansea Mews. These defects could not have been detected by routine inspections and were not as a result of improper maintenance.

On June 12, 2022 the Chief Building Official’s (“CBO”) issued an Order to Remedy Unsafe Condition and an Emergency Order to TCHC to relocate any remaining Swansea Mews tenants until such time as work is completed that will make the buildings safe for tenants to return. As of July 10, 2022, all Swansea Mews households were successfully evacuated to temporary locations.

FACILITIES MANAGEMENT RESPONSE:

As units were vacated, structural supports (shoring) were installed to protect against the potential of another similar event, allowing engineers to enter and inspect the units to determine whether other ceiling panels

existed that bore the same construction features as the one involved with the May 27 Event.

TCHC's Financial Control By-law 3 provides that in cases of Urgency, and with the approval of the Chairman of the Board, or his or her designate, the Chief Executive Officer, or his or her designate, has the authority to make a Commitment in excess of the amounts that are normally stipulated by TCHC's Financial Control By-law.¹

The Financial Control By-law defines Urgency as a situation where the purchase of goods and services is necessary due to unforeseen circumstances that may result in material risk of financial loss; a situation where the purchase of goods or services is necessary because of an immediate risk to the safety or health of the Corporation's employees, residents or the general public; or because of the possibility of serious damage to the Corporation's property.

TCHC's General Counsel and its Chief Financial Officer agree that the May 27 Event met the definition of Urgency, as contained in the Financial Control By-law.

Acting pursuant to the authority delegated to the CEO in cases of Urgency, FM Construction and Preservation staff have issued multiple Direct Awards in response to this incident to prevent further incidents, improve overall safety at the site and to remedy any unsafe conditions. These direct awards were issued under the following justification under Section 4.3(a) of TCHC's Procurement Procedures:

1. Where an unforeseeable situation of urgency or emergency exists and the goods, services or construction cannot be obtained in time by means of a Competitive Process.

¹ Pursuant to the Financial Control By-law TCHC's CEO is delegated signing authority of up to \$500,000 in any one instance, where no Urgency exists, so long as the funds have been provided for in the approved Operating Budget or Capital Budget respectively. The CEO may also make a Commitment, not exceeding \$250,000 in any one instance, if the funds have not been provided in the Building Capital Budget, so long as the funding for the expenditure is available.

TCHC's Senior Director of Strategic Procurement concurs that the May 27 Event and the Order issued by the City's Chief Building Official provide justification for a Direct Award in relation to the work described in this Report. This work is associated with the Level 3 Emergency Response Plan at Swansea Mews. The scope of work is required to comply with the City of Toronto Chief Building Official's Order to Remedy Unsafe Building.

Due to the urgency and scale of the emergency response required, vendors were selected from suitable pre-qualified rosters and were retained to begin immediate inspection, testing, consulting and construction activities. Separate Direct Awards will be prepared for all vendors.

Pricing for each Direct Award was reviewed by the Facilities Manager, Envelope and Structural, in consultation with other Facilities Management staff and determined them to be reasonable and acceptable for the work, and comparable to similar projects. The pricing was based on a time and material basis.

As of August 19, 2022, Facilities Management has issued seven (7) Direct Awards. One (1) additional Direct Awards is being prepared for Read Jones Christoffersen for consulting services. The total value of the eight Direct Awards under consideration is \$7,137,067.70 (exclusive of taxes). The scope of work for this awards includes, but is not limited to:

- Professional services
- Supply and installation of shoring
- Permanent and temporary fencing
- Asbestos abatement, inspection and air testing/sampling
- Construction Management and constructor fees
- Engineering costs/Shop drawings
- Site safety reviews
- Sub-consultants and sub-contractors

The table below details the award amounts committed as of August 19, 2022.

Vendor	Description	Award Amount
APlus General Contractors Corporation	Construction (including shoring and asbestos abatement services)	\$1,320,661.00
Alltra Building Restoration Inc.	Construction (including shoring and asbestos abatement services)	\$1,284,013.25
PSP General Contractors Inc.	Construction (including shoring and asbestos abatement services)	\$1,305,091.00
Uniquenco Building Restoration	Construction (including shoring and asbestos abatement services)	\$1,298,996.60
Trinity Services Inc.	Construction management, constructor services and construction (including shoring and asbestos abatement services)	\$1,749,399.73
Safetech Environmental Limited & SDS	Environmental and air sampling services	\$57,860.62
CS&P Architects Inc. (including sub-consultants)	Consulting and structural engineering services	\$100,820.50
Read Jones Christoffersen (RJC)	Consulting services	\$20,225.00
Total (exclusive of taxes)		\$7,137,067.70

Work at the site commenced on May 27, 2022 and is on-going. The Facilities Management project team are diligently monitoring the spending on an on-going basis.

Funding for these awards will be taken from the TCHC 2022 Capital and/or Operating plan as determined by TCHC Finance Department.

SIGNATURE:

“Allen Murray”

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