



Change Order for Demand Repairs: Additional Funds for Elevator Demand Repairs (VAC19307/RFQ 19207)

Item 9C

April 8, 2022

Building Investment, Finance and Audit Committee

Report: BIFAC:2022-36

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 \$627,367.42 (exclusive of taxes) for the addition of demand repair services to the elevator maintenance contract for thirty five (35) elevators located in seventeen (17) 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 \$627,367.42 (exclusive of taxes) for the addition of demand repair services to the elevator maintenance contract for thirty five (35) elevators located in seventeen (17) buildings; broken down as follows:
 - a. \$277,367.42 for previous spend;
 - b. \$350,000.00 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 19307. The seventeen (17) buildings included in this contract are as follows:

- 1) Glenyan Manor (10 Deauville Lane; 2 elevators);
- 2) Outlook Manor (55 Outlook Avenue; 2 elevators);
- 3) Blake Towers (154 Vaughan Road; 1 elevator);
- 4) Dufferin/Gwynne (300 Dufferin Street; 2 elevators);
- 5) 470 Melita Crescent (1 elevator);
- 6) Seneca Towers (1700 Finch Avenue East; 2 elevators);
- 7) Wishing Well Manor (2008 Pharmacy Avenue; 2 elevators);
- 8) Sheppard Place (4455 Bathurst Street; 2 elevators);
- 9) Donvale Manor 330 Gerrard Street East; 2 elevators);
- 10) Agnes MacPhail (444 Lumsden Avenue; West Tower; 2 elevators);
- 11) Bathurst/Adelaide (575 Adelaide Street West; 2 elevators);
- 12) Holly Park (69 Holly Street; 1 elevator);
- 13) Cliffwood Manor (4000 Don Mills Road; 3 elevators);
- 14) Willowdale Manor (175 Cummer Avenue; 4 elevators);
- 15) Scarlett Manor (1025 Scarlett Road; 2 elevators);
- 16) 1275 Danforth (2 elevators); and
- 17) Weston Towers (3101 Weston Road; 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 \$627,367.42 and are equivalent to 79.19% of the original purchase order issued as shown in Table 1. The revised total contract amount is \$1,419,567.42.

Table 1: Change Order Summary

Scope of Work		Reason for Change	Value
1	Addition of a demand repairs program to RFQ 19207	TCHC Directed	\$627,367.42
Approved Change Orders to Date			\$0.00
Recommended Change Order			\$627,367.42
Total Cumulative Change Orders			\$627,367.42
Original contract awarded (VAC 19573)			\$792,200.00
Revised contract amount			\$1,419,567.42
Cumulative Change Order %			79.19%

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

STAFF CONTACT:

Allen Murray, Vice President, Facilities Management
(416) 981-6955
Allen.Murray@torontohousing.ca