



Change Order: Architectural Fees for Phase 5 due to Percentage-Based Fee Adjustment at 828 Kingston Road

Item 9D

June 23, 2023

Building Investment, Finance and Audit Committee

Report: BIFAC:2023-65

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

From: Vice President, Facilities Management

Date: May 5, 2023

PURPOSE:

The purpose of this report is to seek the BIFAC's approval of a change order of \$58,818.52 (exclusive of taxes) to Enform Architects Inc. ("Enform") for architectural fees based on the final construction cost estimate at 828 Kingston Road.

BIFAC approval is required for this change order, as the cumulative amount of all change orders is greater than 20% of the original contract amount.

RECOMMENDATIONS:

It is recommended that the BIFAC:

1. approve a change order to Enform Architects Inc. for \$58,818.52 (exclusive of taxes) for architectural fees for Phase 5 due to percentage-based fee adjustment based on the final construction cost estimate for 828 Kingston Road (Glen Stewart Acres, Dev. 112); and
2. authorize the appropriate staff to take all other necessary actions to give effect to the above recommendations.

PROGRAM BACKGROUND:

828 Kingston Road (Glen Stewart Acres) is a seven storey apartment building with 147 units, built in 1962.

In January 2021, Enform Architects Inc. was retained based on RFQ 20284 to investigate, provide recommendations, prepare design, specifications, scope of work, and RFx documents, and provide contract administration services for a retrofit project consisting of architectural, mechanical, electrical and accessibility upgrades.

REASONS FOR RECOMMENDATIONS:

Per the terms of RFQ 20284, fees were set on a percentage basis, whereby design fees would be adjusted at pre-determined points as the project progresses. These adjustments are based on approved construction cost estimates provided by TCHC's third party quantity surveyor.

A change order is requested to reconcile architectural fees based on the latest approved construction cost estimate and percentages established as part of RFQ 20284 for the holistic scope of work and additional contract administration services to reflect the current construction schedule for the accessibility scope of work.

Reconciliation of architectural fees: The holistic scope of work consists of architectural, mechanical, electrical and accessibility upgrades. The latest approved construction cost estimate has increased by \$3,600,999 due to market conditions and an increase to the project scope of work.

These revisions were based on the outcome of a cost benefit analysis of additional heating, ventilation and air conditioning options, and will contribute to the City of Toronto's Net Zero Strategy.

Additional contract administration services: The construction duration for the accessibility scope of work was originally estimated at 10 months, but has been updated to 15 months due to additional scope requests from Toronto Seniors Housing Corporation ("TSHC") staff and engagement with tenants after the design project was initiated. The additional scope of work includes space for indoor and outdoor mobility scooter charging, including shoring and waterproofing for the outdoor charging space.

To date, a total of \$220,735.58 in change orders have been issued to Enform Architects Inc. With approval of this request, total cumulative change orders equal \$279,554.10 and are equivalent to 43.26% of the original awarded amount issued, as shown in Table 1. The revised total contract amount is \$925,804.10.

Table 1: Purchase Order and Change Order Summary

Date and Description	Reason	CO Amount
Accessibility Project (fm-442898)		
Additional fees for separate accessibility scope, tender package, permit, bid review - 10/04/2021	TCHC Directed	\$52,150.00
Additional allowance for permit payment - 02/03/2022	City Requirement	\$7,000.00
Phase 5 fees per Original Contract (Accessibility Scope) of \$33,602.79 (pre-approved through VAC 20573B). Additional structural design fees for canopy redesign (\$5,450.00) and contract administration (\$32,897.21) - 04/12/2022	Percentage-Based Fee Adjustment and TCHC Directed	\$38,347.21
Additional contract administration services to reflect the current construction schedule - 03/10/2023	Extended Construction Schedule	\$33,250.00
Holistic Project (fm-443394)		
Additional allowance for permit payment - 02/03/2022	City Requirement	\$6,000.00
Adjustment of architectural fees for Phases 3, 4 based on interim construction cost estimate (Fee Adjustment "B") - 04/12/2022	Percentage-Based Fee Adjustment	\$73,813.37
Additional fees for separate permit, tender documents, bid review and shop drawing review for Rogers telecom relocation - 07/22/2022	TCHC Directed	\$10,175.00
Adjustment of architectural fees for Phase 5 based on final construction cost estimate (Fee Adjustment "C") - PENDING	Percentage-Based Fee Adjustment	\$58,818.52
Approved change orders to date		\$220,735.58
Change order as requested in this report (9)		\$58,818.52
Total cumulative change orders		\$279,554.10
Original contract awarded (VAC 20573B)		\$646,250.00
Revised total contract amount		\$925,804.10
Cumulative CO % of contract award		43.26%

Construction on this project has begun with funding available from the original VAC for the consultant to start with the Contract Administration work. This change order is required to make their fees whole per the terms of the contract.

IMPLICATIONS AND RISKS:

The construction of the holistic scope of work (architectural, mechanical, electrical and accessibility upgrades) of this project is ongoing and anticipated to be completed within 22 months, weather permitting and assuming no delays due to COVID-19.

The construction of the accessibility scope of work is also ongoing and anticipated to be completed by September 2023.

Work related to this change order will not commence until this change order has been approved and the change order issued. Any significant delays in issuing the change order will impact project timelines.

Funding for the change order is within the project budget funded from the 2023 Capital Budget.

SIGNATURE:

"Allen Murray"

Allen Murray
Vice President, Facilities Management

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