

AGENDA
MIDDLESEX-LONDON BOARD OF HEALTH
Relocation Advisory Committee

50 King Street, London
Middlesex-London Health Unit – MLHU Boardroom
Thursday, October 18, 2018 6:00 p.m.

1. ELECTION OF RELOCATION ADVISORY COMMITTEE CHAIR

2. DISCLOSURE OF CONFLICTS OF INTEREST

3. APPROVAL OF AGENDA

4. NEW BUSINESS

- 4.1 Location Project – Demolition Decisions (Report No. 001-18RAC)
- 4.2 Decision-Making Matrix – Relocation Project (Report No. 002-18RAC)
- 4.3 Location Project Plan (Report No. 003-18RAC)

5. OTHER BUSINESS

- 5.1. Next meeting

6. ADJOURNMENT



TO: Chair and Members of the Board of Health

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2018 October 18

LOCATION PROJECT – DEMOLITION DECISIONS

Recommendation

That the Relocation Advisory Committee recommends to the Board of Health:

- 1) Receive Report No. 001-18RAC, re: “Location Project –Demolition Decisions” for information;*
- 2) Approve extension of the elevator to the basement and replacement of the existing carpeting at Citi Plaza; and*
- 3) Direct staff to pursue all reasonable options to mitigate these costs.*

Key Points

- The Middlesex-London Health Unit (MLHU) worked with the architect, project management consultant and landlord to investigate options to mitigate costing associated with these demolition requests.
- The approximate cost to extend the elevator is \$100,000 and the cost of replacing the carpet is approximately \$220,000. MLHU staff have verified initial costing, and are examining options to mitigate costs.
- The postponement of these items will increase costs to MLHU in the future.

Background

The lease agreement signed on May 28th between the MLHU and I.F. Propco Holdings clearly identifies landlord and tenant responsibilities. Schedule C-1 of the lease addresses the initial landlord work under the categories of Architectural, Mechanical, Elevator and Electrical. This information is detailed in [Appendix A](#) attached. Subsequently, the landlord has issued a tender to facilitate teardown activities. I.F. Propco Holdings has requested direction from MLHU on the status of the elevator extension and carpet removal to close out their tender process.

Elevator Extension

The provisions of the lease include the extension of an elevator from the second floor to the first floor. However, MLHU was able to secure 3,264 square feet of bonus space in the basement to which there is no direct accessibility to an elevator. It is intended that this space will be utilized for file and resource storage for which there is significant traffic from staff working in the community. While this space is ideally located next to a dedicated loading ramp for deliveries and pick up of materials, the only other access into this area currently is an aged conveyor belt and stairs which are non-compliant with modern building code.

In addition to being aged and likely requiring constant mechanical servicing, the conveyer belt is considered unable to meet the needs of staff bringing resources in and out of the building. Both the belt and the stairs represent a workplace safety risk to employees, and it is recommended that both are demolished and that a new set of compliant stairs be installed. Photos of the conveyor belt are contained in [Appendix B](#). A secondary tenant freight elevator is available approximately 100 feet away in the underground, however

utilizing this elevator would significantly reduce staff efficiency and productivity, as it would require staff to transport materials 100 feet through the underground and 100 feet through the mall and outside of the MLHU designated space each time they were taking materials or resources to or from the basement.

MLHU's lease provision allows for an extension of the existing elevator into the basement. MLHU is responsible for the costs of this extension. The estimated cost is approximately \$100,000 which was validated by both the architect and the project management consultant. The material costs for elevator parts are estimated to be between \$15,000 and \$20,000, and the remaining costs would include the concrete, electrical and mechanical work. The replacement cost for the stairs is unknown at this time but will be reviewed by the project manager and architect for quotation.

The elevator parts will take six to eight months to acquire. Several of the construction components will be delayed until the completion of this project, which makes the elevator decision somewhat urgent. By extending and building a dedicated elevator, MLHU will provide an accessible means to reach the basement storage and the loading dock for all MLHU employees. Safety would also be improved as the proximity of the elevator is directly across the hall from the storage space. Efficiencies will be achieved as we limit additional handling and direct delivery.

Carpet Removal

In addition to being mismatched between various rooms, the current carpeting is over 10 years old and is out of production. High-traffic areas and areas where the carpeting was covered by file cabinets or shelves are showing significant discolouration, and wear as is evidenced by the pictures in [Appendix C](#). Efforts were made by the City of London to professionally clean the same carpet in their space but they were unsuccessful. The carpet has been cut in numerous places throughout the floor to accommodate cable routing, which will change with our floor plans.

Initial estimates for mid-grade commercial carpeting were confirmed at \$6 per square foot installed. While attempts will be made to salvage existing carpeting where and if feasible, the maximum cost to replace the second floor carpet would be \$218, 514. The life expectancy of the new carpeting would be approximately 15-20 years. As the landlord is currently responsible for the tear down and removal of the existing carpeting and there is no furniture to be moved to lay the carpet, the current quoted replacement cost is significantly lower than postponing the decision until after MLHU moves in.

Staff will explore further whether there are any opportunities to keep a portion of the existing flooring, or to identify more cost-effective carpeting options.

Next Steps

MLHU staff will confirm the decisions with respect to the carpeting and elevator to Avison Young who is awaiting MLHU's response in order to continue with defining the scope of work for their selected demolition firm.

This report was prepared by the Healthy Organization Division.



Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health / CEO

Schedule “C-1”

LANDLORD WORK - INITIAL

The Landlord intent is to turn over the Premises space as a warm vanilla box.

ARCHITECTURAL

Entire Space

- Removal of all interior partitions/wall finishes
- Removal of existing ceiling, light fixtures, diffusers and exhaust.

Upper Level Only

- If Tenant requests, Landlord will remove raised flooring, including all cabling & electrical and preparing the floor surface to receive new flooring.
- New windows (9) to be installed facing onto Clarence Street and York Street Side.

Main Level Only

- Removal of existing storefront partitions & install new single frontage to meet Centre Design Criteria.
- Install new window (5) facing onto Clarence Street.
- Removal of affixed seating in common area around existing planter (future Elevator)

Basement Storage

- No work to be completed, space given “as is”
- LL agrees to remove conveyor belt if not required by the Tenant.

MECHANICAL

Entire Space

- Demolition/removal of all and plumbing fixtures and services to be capped.
- Removal of any HVAC ducting, accessories and electrical panels not required by the Tenant retrofit as per the approved architectural drawings (See Mechanical and Electrical Report by S+A provided to Tenant).
- Sprinkler heads to be turned up to suit ceiling demolition in all locations.

Upper Level

- Unit 250, Landlord will not be installing a new HVAC system, however, we will ensure existing base building systems are in proper working order.

Main Level

- Base building heat pumps will be replaced by the Landlord as part of the landlord’s work in accordance with the Tenants approved drawings to a *maximum* Landlord contribution of \$138,600 (estimated 18 new heat pumps to accommodate open concept office design)

Tenant Storage Area

- No work to be completed.

ELEVATOR

- Existing elevator shaft to be extended from 2nd floor to ground floor and New Convenience Stair in base building condition ready for tenant finishes

- Cutting a hole into the Ground and 2nd level concrete floor to allow the elevator travel distance to the Ground Floor. For clarity, if architecturally and mechanically feasible, the Tenant may choose to extend the elevator to the Lower Level the cost of which work shall be solely at the Tenant’s expense provided such work is approved in advance by Landlord. The extension of the elevator travel distance has some items that will need attention:

- o Due to the elevator travel distance extending to the Ground Floor the elevator pit will be protruding into the Lower Level. The elevator pit will be protruding into the storage space approximately 6’-0”.
- o The new convenience stair will commence where the existing stair is on the second

floor and continue to the first floor.

o Includes associated remedial work to make the affected area good.

ELECTRICAL SUMMARY

Main Electrical Service Panels

Entire Unit

- The tenant space will be provided with a new 500A, 600V, 3 phase service and distribution panel fed from the Landlord Main Switchboard. An existing breaker of the main Switchboard will be recalibrated to suit the new 500A service. This service will be fully backed up by the Landlord diesel generator system.

- The tenant space will be sub-metered from the Landlord third party metering system.

Upper Level

- The existing distribution will be modified to be fed from the new tenant 500A service. Equipment to remain includes a 45kVA transformer, 150kVA transformer, and 5 panelboards.

Main Level

- An existing 45kVA transformer and 200A, 120/208V panelboard will be relocated from Upper Level, as to feed existing mechanical heat pumps.

Basement

- The electrical distribution for the basement storage will be disconnected, equipment turned off. The equipment will remain in the basement under the ownership of the Landlord.

Fire Safety

- The building is fitted with an existing addressable and voice communication Fire Alarm System by Simplex Grinnell. The existing devices of the renovation area will be left in place, and temporarily supported to the structure for use by the Tenant. A new fire alarm Node will be provided for the designated Tenant, and tied into the main building Fire Alarm System for Communication. The tenant shall use this node for connection of fire alarm devices within the Tenant Space. The Tenant shall install individual addressable fire alarm devices within the Premises which connect to the said Fire Alarm System as part of Tenant's Work.

Lighting

- Except where Landlord determines that existing lighting may remain, Landlord will install temporary work lighting in all units, to be accomplished with 4' industrial strip lights throughout to provide minimal levels of light. Control will be from a local switch only.

- Removal of plastic coating from the skylights specific to the second floor office space forming part of the Premises.

Data/Telecommunications

- The Telecommunications Room in Upper Level will remain as existing for use by the Tenant.

Landlord Work Estimated Timelines – overall period to complete Landlord's Work is estimated at 14 months from the date that Landlord commences work after obtaining unfettered access to the entire Premises, as per below. Any Landlord estimates of completion dates may be extended upon the provision of written notice to Tenant stating the length of the extension and revised estimate.

As per Landlord Architect and Engineers the following are the proposed time lines:

- The overall design and contract document drawings time is anticipated to be approx. 5 months culminating in the submission of the building permit.

- Tendering call and award of tender will take approx. 6 weeks.

- The overall construction time is anticipated to be approx..8 months. This however is subject to finalizing on an elevator design and submitting in timely fashion to get into the delivery schedule.

o It should be noted, that the most significant work to be undertaken is the installation of the new elevator and stairs. The structural implication will need to be carefully analyzed. Most importantly is settling on the final location of the elevator so that the size and cutting of the shaft opening can be structurally designed.

Appendix B - Conveyor

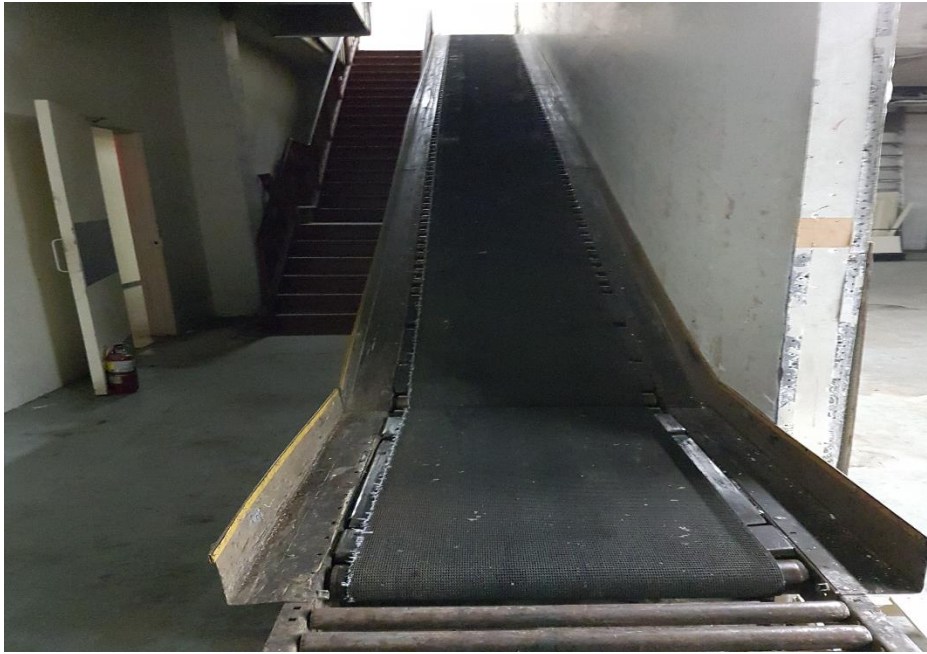


Figure A – View of conveyor from the basement



Figure B – View of Conveyor from 1st Floor

Appendix C to Report No. 001-18RAC

Appendix C



Figure A – Sample of Carpet Stain



Figure B - Sample of staining and cord management through carpeting



Figure C – Carpet lifting from placement



Figure D – Excess holes in carpet from power feed placement



TO: Chair and Members for the Relocation Advisory Committee

FROM: Christopher Mackie, Medical Officer of Health / CEO

DATE: 2018 October 18

DECISION-MAKING MATRIX – RELOCATION PROJECT

Recommendation

It is recommended that the Relocation Advisory Committee:

- 1) *Receive Report No. 002-18RAC re: “Decision-Making Matrix – Relocation Project”; and*
- 2) *Recommend that the Board of Health approve the Decision-Making Matrix.*

Key Points

- Budget estimates by contracting element have been prepared in consultation with the project engineer totaling a fit-up cost of \$5,200,000.
- The percentage of overall budget by contracting element has also been calculated to provide guidance regarding the budget allocation.
- It is critical that a process is in place to allow for expedited decision-making to ensure the project is delivered on time, hence a decision-making matrix has been developed for approval.

Background

At its September 20, 2018, meeting the Board of Health approved the establishment of the Relocation Advisory Committee and the Terms of Reference as outlined in [Appendix A](#).

Budget Estimates

In consultation with the project engineer, MLHU has developed a breakdown how the \$5,200,000 budgeted for the fit-up of the new location will be spent. Various items are considered and bundled together by contracting element as outlined in [Appendix B](#). Contracting elements are broken down with the percentage of the overall budget and estimated cost allocated for category.

Decision Making Matrix

Signing authority and responsibilities for approving Health Unit financial transactions are outlined in [Policy G-200 Approval and Signing Authority](#) which limits the MOH/CEO’s spending authority to \$50,000 in the normal course of business. To ensure key decisions related to the relocation project are made in a timely manner, the Decision Making Matrix as outlined in [Appendix C](#) is proposed. This allows for spending limits to be increased for these items during the project lifecycle to help mitigate potential delays to the overall project schedule.

Next Steps

Staff will provide regular financial updates to the Relocation Advisory Committee which will include an itemized list of all to-date and committed spending, lined up against the approved budget.

This report prepared by the Strategic Projects Team, Healthy Organization Division.



Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health / CEO

RELOCATION ADVISORY AD HOC COMMITTEE

PURPOSE

The committee serves to provide an advisory and monitoring role. The committee's role is to assist and advise the Board of Health, the Medical Officer of Health / Chief Executive Officer (MOH / CEO), and the Director, Healthy Organization in the administration and risk management of matters related to the design, build, move and commissioning of the new location.

REPORTING RELATIONSHIP

The new Relocation Advisory Committee is an ad hoc committee reporting to the Board of Health of the Middlesex-London Health Unit. The Chair of the Relocation Advisory Committee, with the assistance of the Director, Healthy Organization and the MOH / CEO, will make reports to the Board of Health as a whole following each of the meetings.

MEMBERSHIP

The membership of the Committee will consist of a total of five (5) voting members. The members will include the Chair of the Board of Health and will contain at least one Middlesex County Board Member, one City of London Board Member and one provincial Board Member. Members will be selected notwithstanding their membership in any other standing committee.

The Secretary-Treasurer will be an ex-officio non-voting member.

Staff support include:

- Director, Healthy Organization;
- Executive Assistant to the Board of Health and Communications Coordinator or the Executive Assistant to the Medical Officer of Health depending on availability; and
- Manager, Strategic Projects
- Manager, Procurement and Operations

Other Board of Health members are invited to attend the Relocation Advisory Committee but do not hold voting rights.

CHAIR

The Relocation Advisory Committee will elect a Chair at the first meeting to serve until the committee ceases to exist.

DUTIES

The Committee will seek the assistance of and consult with the MOH / CEO and the Director, Healthy Organization for the purposes of providing oversight and making recommendations to the Board of Health on the following matters:

1. Reviewing proposals for the allocation of funds and resources in relation to the Location Project.
2. Monitoring the Health Unit's physical assets and facilities in relation to the Location Project.

RELOCATION ADVISORY AD HOC COMMITTEE

3. Reviewing all funding agreements related to the Location Project.
4. Reviewing governance-related policies impacted by the Location Project.
5. Enquiring into the financial and reputational risks faced by the organization related to the design, build, move and commissioning of the new facility and the appropriateness of related controls to minimize their potential impact.
6. Reviewing variances in overall project timelines greater than 1 month.
7. Reviewing negative variances in approved budgets of greater than 15%.
8. Receiving updates from Architect and Construction Project Manager.

FREQUENCY OF MEETINGS

The Committee will meet at the call of the Chair of the Committee.

AGENDA & MINUTES

1. The Chair of the committee, with input from the Director, Healthy Organization and the MOH / CEO, will prepare agendas for regular meetings of the committee.
2. Additional items may be added at the meeting if necessary.
3. The recorder is the Executive Assistant to the Board of Health and Communications Coordinator.
4. Agenda & minutes will be made available at least 5 days prior to meetings.
5. Agenda & meeting minutes are provided to all Board of Health members.

BYLAWS:

As per Section 19.1 of Board of Health By-Law No. 3, the rules governing the proceedings of the Board of Health shall be observed in the Committees insofar as applicable. This will include rules related to conducting of meetings; decision making; quorum and self-evaluation.

Implementation Date: October 1, 2018

Budget Estimates by Contracting Element

Contracting Element	% of Overall Budget	Estimated Cost
Construction	12.0%	\$624,000
General conditions & contractor profit	8.0%	\$416,000
Selective demolition	1.0%	\$52,000
Carpentry	3.0%	\$156,000
Materials	10.5%	\$546,000
Wood & steel doors & frames	3.5%	\$182,000
Aluminum & Glazing	5.0%	\$260,000
Structural steel	2.0%	\$104,000
Drywall & Acoustics	10.0%	\$520,000
Technical	8.0%	\$416,000
Security Camera's	2.0%	\$104,000
Data Cabling	4.0%	\$208,000
Access Control	2.0%	\$104,000
Supply & Install Finish hardware	6.0%	\$312,000
Millwork	5.0%	\$260,000
Electrical	13.0%	\$676,000
Mechanical	16.0%	\$832,000
Finishes	13.0%	\$676,000
Signage & wayfinding	2.0%	\$104,000
Painting	2.0%	\$104,000
Specialized finishes	1.5%	\$78,000
Wall protection - Clinic	1.0%	\$52,000
Flooring	6.5%	\$338,000
Insurance and Bonding	1.5%	\$78,000
Safety & Accessibility	3.0%	\$156,000
Sprinkler	1.0%	\$52,000
Elevator	2.0%	\$104,000
Specialities	2.0%	\$104,000
	100.0%	\$5,200,000

Decision Making Matrix for Relocation Project

Decision	Approval
<p style="text-align: center;">Category A</p> <ul style="list-style-type: none"> • Project Expenditures by Contracting Element that do not exceed 15% of overall budgeted amount for the expenditure category <ul style="list-style-type: none"> • Reallocation of funds up to \$150,000 	<p style="text-align: center;">MOH / CEO</p>
<p style="text-align: center;">Category B</p> <ul style="list-style-type: none"> • Project Expenditures by Contracting Element that exceed 15% of overall budgeted amount for the expenditure category <ul style="list-style-type: none"> • Reallocation of funds over \$150,000 	<p style="text-align: center;">Relocation Advisory Committee</p>
<p style="text-align: center;">Category C</p> <ul style="list-style-type: none"> • Variance in Project Timeline Greater than 1 month 	<p style="text-align: center;">Relocation Advisory Committee</p>



TO: Chair and Members of the Board of Health
FROM: Christopher Mackie, Medical Officer of Health / CEO
DATE: 2018 October 18

LOCATION PROJECT PLAN

It is recommended that the Relocation Advisory Committee recommend that the Board of Health receive Report No. 003-18RAC, re: "Location Project Plan" for information.

Key Points

- Middlesex-London Health Unit (MLHU) worked with the architect and project management consultant to identify key requirements and develop a project plan.
- The project plan includes is divided into key phases including employee consultations, design reviews, tendering and contract management and is divided into two phases by floor.
- Key milestones will create a basis for future report updates to the Relocation Advisory Committee and the Board of Health.

Background

The Board of Health approved Endri Polleti Architect LLP to provide the architectural services of Endri Polleti Architect LLP and BES Construction Consulting to provide project management services on September 20th, 2018. A kickoff meeting was held on October 4th to discuss the development of an overall project plan which would identify key decision points and deliverables. An initial draft of the project plan was created on October 14th, and finalized on October 15th.

Project Work Flow Schedule

The overall project plan is identified in [Appendix A](#). The timeline is split into two phases. Two phases are required to allow sufficient time for employee input and will facilitate an expedited project schedule. The first phase of the project includes all activities associated with the consultation, design, tender and contract management of the first floor public spaces including clinical space, teaching rooms and employee workspaces. Similarly, the second phase of the project plan includes activities related to employee workspaces on the second floor. The construction schedules for both phases are currently consolidated on the plan and the project teams will be working to create more detailed work plans. In addition, the furniture installation schedule will need to be verified following an inventory of all furniture, equipment and resources currently stored at both 50 King Street and 201 Queens Avenue and a review of what needs to go to tender. The estimated move date is January 2020.

Next Steps

An updated project workflow will be provided once the construction details are verified. The Relocation Advisory Committee will continue to receive updates on the schedule and will be notified should there be any significant changes to the schedule provided.

This report was prepared by the Healthy Organization Division.

A handwritten signature in black ink, appearing to read 'C. Mackie'.

Christopher Mackie, MD, MHSc, CCFP, FRCPC
Medical Officer of Health / CEO

