

Traction Elevator Modernizations STAFF REPORT- 2025-23

TO: LMCH Board of Directors

FROM: John Krill, Director Asset Renewal

SUBJECT: **Various** - Traction Elevator Modernizations
Construction Contract Award

DATE : June 16, 2025

PURPOSE:

The purpose of this report is to provide a progress update on projects 2023-0025, 2024-0008, 2024-0036 and 2025-0011, and to request approval to enter into a construction contract with one general contractor for elevator modernizations at four buildings.

Based on the *LMCH Purchasing Policies and Guidelines*, if staff would like to enter into a construction contract for an amount higher than the pre-approved project budget, then approval from the Board of Directors is required.

RECOMMENDATION:

That the LMCH Board of Directors **APPROVE** the following recommendations to be presented to the Board of Directors:

1. **APPROVE** the request to enter into a construction contract with ATTA Elevators Corp. for \$2,175,150.00 plus adjusted taxes for a total of \$2,213,432.64.
2. **APPROVE** the reallocation of \$185,000 from General Contingency 2025-0036-23 and \$77,583 from General Contingency 2025-0036-21 to be allocated across projects 2023-0025, 2024-0008, 2024-0036, and 2025-0011 as noted in Financial Impact.
3. **AUTHORIZE** LMCH staff to take the necessary steps to give effect to the above recommendation(s).

BACKGROUND:

Currently, there are 7 LMCH sites (8 buildings in total, including 2 buildings at Wharncliffe) requiring elevator upgrades and modernization as existing equipment is aging and at the point where replacement is considered good practice to mitigate failure risk. The timeline for replacement/upgrade at each of these sites requires being mindful of limited industry labour resources and lengthy equipment order/delivery times. As a result, both Berkshire and Kent will mobilize for modernization beginning March 2026, while Wharncliffe will begin mobilization in August 2027. This staggered approach to the work – recognizing we

have Albert modernization already underway and due for completion in Fall 2025 – is necessary to resource labour and materials effectively. All elevator modernization work – begun 5 years ago – once completed, will result in safer and more reliable elevator installations for the entire LMCH portfolio.

An RFP was completed in 2024 to retain a Consultant to prepare documents for the 7 remaining properties that require elevator modernization. Rooney Irving prepared the documents, and an RFP was issued for tender for 4 of the 7 sites in March of 2025. These bid documents were created and posted on the Bids and Tenders public procurement site on April 21, 2025, with a bid close date of May 30, 2025. Bids were received from 2 proponents, ATTA Elevators Corp and Delta Elevator Co Ltd, and submissions were judged to be complete and valid. The bids were evaluated based on a three-step process:

- 1) Were all mandatory submissions received and compliant (a pass/fail evaluation);
- 2) A qualitative evaluation, including the experience of each firm and its staff, as well as the contractors' proposed project schedule (totaling 45% of the total score);
- 3) A financial evaluation of the submitted bids (worth 55% of the total score).

Bid evaluations were completed independently by the LMCH Project Manager and Rooney Irving, the elevator consultant. Evaluations were based on the scoring matrix, which broke down as follows: 55% for pricing, 20% for demonstration of successful completion of comparable projects and 15% for the quality of company information and qualifications of team members. Both evaluations concur and recommend that the preferred proponent is ATTA Elevator Corp. The LMCH Project Manager's scoring matrix for this project can be found in Appendix A.

FINANCIAL IMPACT:

There is a board-approved budget of \$2,000,000 for the upgrades at these 4 sites. The cost breakdown from the preferred bidder ATTA is as follows:

Construction Costs Breakdown by Site				
Item	Berkshire Drive	345 Wharncliffe	349 Wharncliffe	170 Kent
Bid Price	\$552,556.80	\$565,785.60	\$560,952.00	\$534,138.24
Total Bid	\$2,213,432.64			

Considering all costs committed to this overall project, there is a shortfall of \$262,583 as outlined below:

	Before Tax	After effective tax	
Initial Budget Allocation		\$ 2,000,000	
Design Fees - Stantec Consulting Engineers	\$ 48,300	\$ 49,150	
Construction Costs - ATTA Elevators Corp.	\$ 2,175,150	\$ 2,213,433	
Total Expected Spend		\$ 2,262,583	
Funds Required for the Project		\$ (262,583)	

Funding Reallocation:

Additional funds required for the project are requested to be reallocated as follows:

General Contingency – 2023 CoL Fund 2025-0036-23 (\$185,000.00 available)

Berkshire Site	\$46,250.00 (Project 2023-0025)
345 Wharnccliffe Site	\$46,250.00 (Project 2024-0009)
349 Wharnccliffe Site	\$46,250.00 (Project 2024-0008)
Kent Site	\$46,250.00 (Project 2025-0011)
Total Reallocation	\$185,000.00

General Contingency – 2021 CoL Fund 2025-0036-21 (\$143,810.36 available)

Berkshire Site	\$19,395.75 (Project 2023-0025)
345 Wharnccliffe Site	\$19,395.75 (Project 2024-0009)
349 Wharnccliffe Site	\$19,395.75 (Project 2024-0008)
Kent Site	\$19,395.75 (Project 2025-0011)
Total Reallocation	\$77,583.00

This reallocation will result in \$66,227.36 of remaining available funds in General Contingency – 2025-0036-21.

Comparators

The most recent costing for an elevator modernization was for the Albert Street site (2 elevators) with a tendered cost in early 2024 of \$470,131.20, including adjusted HST. The average cost of ATTA's bid across all 4 buildings (3 sites) is approximately \$553k, which indicates about an 18% increase over one year. Material cost increases due to tariffs is part of the reason for this double-digit increase. However, the majority of the increase (as compared to Albert) is due to the extremely limited accessibility of the elevator machine rooms, requiring significant craning expenditure as well as additional labour time for accessing the sites' machine rooms.

TENANT IMPACT:

As part of the submission, ATTA Elevators Corp submitted a proposed construction schedule. It lists a construction timeline of approximately 12 months overall, beginning with Kent and Berkshire construction work simultaneously and ending with both Wharncliffe buildings as the other two sites' constructions conclude. This staggered approach is necessary for any contractor to deploy their resources effectively. However, ordering and arranging for the latter sites' elevator equipment delivery will begin even before the first two sites' construction is underway so as to mobilize seamlessly between all 4 sites.

There will be a significant impact to tenants at each site, as one elevator will remain out of service for approximately 8 weeks. Any service breakdowns will result in no elevator access while repairs are made, but mitigated as service providers will be on site in any event.

At each site, a notice to tenants will be written announcing the project and delivered to all units. This will give tenants the opportunity to raise any concerns to the LMCH Project Manager before the start of work on site. Additionally, at each site prior to commencement, a tenant briefing will be held to receive concerns and feedback.

CONCLUSION:

Based on the tenders received, it is recommended that LMCH enter into a contract with ATTA Elevators Corp to complete the elevator upgrades at Kent, Berkshire, and Wharncliffe.

ATTACHMENTS:

Appendix A – Elevators Modernization RFP – Bid Evaluation

PREPARED and SUBMITTED BY:	STAFF CONTACT:
John Krill Director, Asset Renewal	Terry Maslen Construction Project Manager

Appendix A - Various - Traction Elevator Modernizations

BID PRICING				
ITEM PRICING		ATTA Elevator Corp.		Delta Elevator Co. Ltd.
	Per Unit Price	Total Price	Per Unit Price	Total Price
All Work described per the specification	\$0.00	\$2,175,150.00		\$2,941,051.00
Bonding	\$0.00	\$0.00		\$0.00
Contingency Allowance	\$0.00	\$0.00		\$0.00
Sub TOTAL	\$0.00	\$2,175,150.00		\$2,941,051.00
HST	\$0.00	\$282,769.50		\$382,336.63
Total Price		\$2,457,919.50		\$3,323,387.63
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BID DOCUMENTS		ATTA Elevator Corp.		Delta Elevator Co. Ltd.
1	WSIB Certificate	✓Completed		✓Completed
2	Insurance	✓Completed		✓Completed
3	Bid Bond	✓Completed		✓Completed
4	Bid Submission	✓Completed		✓Completed
5	Work Performance & Qualification	N/A		N/A
	Compliance Statetment (00900)	N/A		N/A
	Performance Bond	N/A		N/A
	Other Documents	✓Completed		✓Completed
		ATTA Elevator Corp.		Delta Elevator Co. Ltd.
	Fee Score (55)	55.00		40.68
	Comparable Projects (15)	5.00		15.00
	Company Info/Org Chart (10)	10.00		10.00
	Schedule (20)	20.00		15.00
	Total Score (100)	90.00		80.68
	RANK	1		2