



## 892-2012 ADDENDUM 2

### REQUEST FOR PROPOSAL FOR PROPERTY MANAGEMENT SERVICES FOR THE OFFICE TOWER AT 266 GRAHAM AVENUE

#### **URGENT**

**PLEASE FORWARD THIS DOCUMENT TO  
WHOEVER IS IN POSSESSION OF THE  
REQUEST FOR PROPOSAL**

ISSUED: January 29, 2013  
BY: Carmen Sorby  
TELEPHONE NO. (204) 986-3855

**THIS ADDENDUM SHALL BE INCORPORATED  
INTO THE REQUEST FOR PROPOSAL AND  
SHALL FORM A PART OF THE CONTRACT  
DOCUMENTS**

Template Version: Ar20120228

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**Please note the following and attached changes, corrections, additions, deletions, information and/or instructions in connection with the Request for Proposal, and be governed accordingly. Failure to acknowledge receipt of this Addendum in Paragraph 9 of Form A: Proposal may render your Proposal non-responsive.**

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#### **Questions and Answers from Site Investigation – January 21, 2013**

- Q1 What is the scope of work that SNC will be doing for the next 2 years (other staff or just Eric?). As this affects staffing levels successful bidder will need to supply from their own forces, clarification is required.
- A1 SNC Lavalin performs building manager services requested by the City's property manager, presently on a month to month basis. These services include: engaging and overseeing, 3rd party cleaners services, elevator service contract with 3rd party, mechanical services provided by SNC staff on day to day operations. Any major mechanical repairs required are tendered by SNC to third parties in consultation with Property Manager. SNC Lavalin is also retained separately by PWC and Canada Post as their tenant advocate. If the Tenant has a concern, it is conveyed to SNC Lavalin, who in turn will communicate this concern to the building manager SNC. SNC is the day to day 'eyes and ears' for the management of the building.
- Q2 Does the 158,000 sf mentioned as the building sf currently include or exclude the basement? I understand the basement will be part of the plant, please confirm.
- A2 The 158,000 sq feet excludes the basement. Yes, the basement will be part of the plant, and therefore is not part of the responsibility of the Property Manager.
- Q3 What level of security clearance does Public Works and Post office require from Property Management staff and/or future contractors (excluding the plant as you have confirmed that requirement is class 4).
- A3 Reliability status is the clearance required.
- Q4 Service contracts – who currently has the contract for mechanical equipment, fire equipment (where is fire equipment located?)
- A4 SNC's own forces perform work on the mechanical system, for day to day maintenance as required. Any major mechanical repairs required are tendered by SNC to third parties in consultation with Property Manager. TYCO has the contract for the Fire Panel. Sprinkler system maintained by Vipond or, if not available, Pyrenne.

Q5 With respect to the sharing of mechanical on floors 1-5 with police station....will there be separate metering for the equipment or just a cost sharing?

A5 No separate metering. Yes for cost sharing.

Q6 Is the tower (floors 6 -11) separately metered?

A6 Not separately metered.

Q7 Is there any tenancies with specialized rooms (ie, computer) where they are separately metered?

A7 No.

Q8 What is the age of the curtain wall, roof (has it been replaced).is there an environmental assessment / summary that can be shared?

A8 The roof was completely replaced between 2000 and 2002. The curtain wall is not a true curtain wall, however, the wall system was replaced to what is there now in the mid 1990's.

Q9 Tenant list and lease expires.

A9

<b>Tenant</b>	<b>Unit Number</b>	<b>Area (Sq. ft.)</b>
Canada Post - Retail	1	4645
Winnipeg Police Service	120	1908
Winnipeg Police Service	1	6672
Java Jungle	2	1218
Police Admin	2	2392
Public Works Storage	2	1508
Vacant	2	2570
Subway	218	1764
Dr. Lecker	222	1600
Police Cadet Program	230	1885
Canada Post-Office	3, 4 & 6	47,874
Caspian Construction	5	6039
Vacant	5	1725
Public Works	Part of 5 & 7 - 11	71,553
Common area not in lease	2947	156,600
Telus	roof	

Lease Expiry dates not listed

Q10 B10.2 Fees – as fees quoted on Form B affect staffing, please confirm accuracy of \$2.1 million revenue?

A10 \$2.1 million is accurate.

Q11 What is the expected gross income for 2013 and 2014?

A11 Also approx. \$2.1million.

Q12 B20.4 in RPF notes City is exempt from revenue stream? When the Feds or Canada Post vacate and if the City were to lease 5 floors please confirm if they would be paying rent.

A12 Presently, it is not anticipated that the City will occupy any major portion of the Office Tower. The City may choose to occupy some areas, and if so, they would not be paying rent or management fees. If there was a decision made by the City to occupy a larger percentage of space in the Tower, there would be further discussions between the property manager and City as to management fees in this instance.

Q13 With respect to realty tax and assessments, are there current exemptions?

A13 Both Publix Works and Post Office occupancy get a separate assessment from the Assessment Department. Public Works lease is gross, so the Landlord pays the taxes in that case. Other tenants are billed direct for taxes.

Q14 What is the gross up factor (per floor) for the building?

A14 Not available.

Q15 Who is doing the janitorial and is it based on Federal Gov't cleaning specs?

A15 Titan, under the direction of SNC.

Q16 Is the janitorial contract expected to be assumed?

A16 Yes.

Q17 D8.2 in RFP – “the deductible that the contractor is to carry”; please confirm it is for their insurance only and not the property insurance.

A17 Yes, for their insurance only.

Q18 Is SNC able to provide a summary of the reoccurring tenant complaints in the building (and/or volume?)

A18 No information is available.

Q19 Section E of the RFP document includes preventative maintenance, repairs and vendor management as a part of the scope of services. During the walkthrough you indicated that SNC Lavalin was being retained for these services. Can you please clarify SNC Lavalin's term, scope of services and relationship between the Property Manager and SNC Lavalin

A19 See answer to Q1

Q20 I understand there are separate mechanical systems for the tower. Systems controlling floors 1-5 are shared with the new WPS space and are located in the City of Winnipeg space (former plant) on the rooftop of the plant while 6 to 11 are located in the tower. Will the property manager be responsible for maintaining, etc. the mechanical equipment and other building systems (fire alarm panel, etc.) located within the City space or will that be done by another party. If so, please clarify who other than the property manager will be responsible and the nature of the reporting relationship.

A20 For now, yes, SNC, reporting to the Property Manager, will be responsible for maintaining the mechanical equipment. This may possibly change when WPS moves into the plant, it could then potentially be someone else, under the direction of WPS. Tyco has contract for the Fire Panel. After hours calls go to SNC, they respond directly.

Q21 Section E2.2 (e) – confirm that this pertains to service or maintenance contracts and not major replacement work which would be considered capital in nature and subject to construction management fees

A21 Yes.

Q22 Section E2.3 (b) – clarify extent of anticipated temporary tenancies and confirm that modifications to space would be subject to construction management fees

A22 Temporary Tenants are:  
(1) Police Cadets Program, Unit 230 @ 1885 sf and  
(2) Police Admin, 2nd floor, at 2393 sf and  
(3) Caspain Construction 5th floor @ 6039sf  
All would be subject to construction management fees if requested by the Landlord

Q23 B3.5(b) – What information can be provided with respect to surface and sub-surface conditions which may have been determined as part of the due diligence process when the building was purchased by the City of Winnipeg?

A23 None

Q24 B3.5 (c) Has a survey of asbestos or other hazardous materials been completed for the building?

A24 Yes, by Pinchin Environmental.

Q25 Have any air quality surveys been completed for the building?

A25 Yes, Air quality survey done by Pinchin. No issues.

Q26 Can a list of Tenants be provided, including area of premises and lease terms? Can a list of the vacant units be provided, including areas?

A26 See A9

Q27 B 11.3 (c) Does the requirement for a health and safety plan apply to leasing agents, if they are sub-contractors not directly employed by the Bidder?

A27 No.

Q28 Can you please advise as to the division of responsibility between the successful bidder and the building operators, SNC?

A28 See A1.

Q29 When does the existing contract with SNC expire?

A29 The contract is month to month.

Q30 Is security currently in place for the building?

A30 The only security in the building is that engaged directly by Canada Post (card swipe).

Q31 Is there a list of current maintenance contracts in place for the building?

A31 Maintenance contracts will be provided to the successful Bidder.

Q32 For the purposes of the property management fee, can you please confirm if during the term of the contract, a City of Winnipeg department or agency occupies space in the building, they will pay market rent and this will be included in the gross rent calculation?

A32 Presently, it is not anticipated that the City will occupy any major portion of the Office Tower. The City may choose to occupy some areas, and if so, they would not be paying rent or management fees. If there was a decision made by the City to occupy a larger percentage of space in the Tower, there would be further discussions between the property manager and City as to management fees in this instance.

Q33 Can you advise as to the annual operating budget of the building and a summary of the operating costs on a per sq. ft. basis for the major categories?

A33 Not available.

Q34 Can you advise if there are current negotiations in progress with respect to any vacant space?

A34 Dr. Lecker is re-locating from the main floor to the 2nd floor

Q35 Is there a Listing Agreement in place and if so, when does it expire?

A35 Property Management Services to be provided by the successful bidder under this RFP are to start on May 1, 2013.

Q36 Can you please advise if the amount of \$80,000 noted in Form B: Fees represents the budgeted amount of tenant improvements for the building and do they apply to the entire 2 year term effective May 1, 2013?

A36 Yes.

Q37 Is any of the building mechanical equipment subject to any government repair orders?

A37 No.

Q38 What type of Freon is currently in use in the building?

A38 Freon in use in the mechanical systems is R134A.