

Submittal 23-214-043

PROJECT NAME PROJECT ADDRESS DATE SUBMITTED

CHRIS GIBSON REC CENTRE 23-214 125 McLaughlin Rd N, Brampton, ON, May 6, 2025

L6X 1N9

TO FROM

Ashish Singla System Admin COMPANY COMPANY

RAFAT GENERAL CONTRACTOR INC. Consult Mechanical Inc.

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Title

test 3

Description

test

Package Items

SPEC SUBSECTION ITEM TYPE

spec3 PY Y1 Shop Drawings

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DELIVERED BY EMAIL

March 26, 2025

Construction Manager
Buttcon Limited
300-6240 Highway 7 Woodbridge,
ON L4H 4G3

Mr. Claudio Ruoso:

Re: Mclean Center for Collaborative Development - McMaster University Project # 1486- Main Street West, Hamilton, (the "Project") letter No. 008-1280 Notice of Default - Continued Delay and Failure to Expedite the Work- DMS' response

Dependable Mechanical Systems Inc. ("DMS") entered into a Completion Agreement dated November 25, 2022 with Buttcon Limited to perform the HVAC and Plumbing scope of work (the "Subcontract") for the project known as McMaster University McLean Centre for Collaborative Discovery, 1280 Main Street West, Hamilton, ON (the "Project"). The fixed price of the Subcontract is \$15, 577,777.00 + HST ("the Contract Price").

We write to respond to Buttcon's purported Notice in Writing dated March 21, 2025, Notice of Default – Continued Delay and Failure to Expedite the Work. DMS refutes the notice in its entirety.

Previously DMS has provided Buttcon with a Notice in Writing dated June 30, 2023 advising of the delays pertaining to the Mechanical scope of work as set out in the Project Schedule. A further notice of continued delay to mechanical scope was submitted via email dated November 7, 2023. (Annexure 1 enclosed).

When DMS tendered its bid for the Project, it expected and planned to work in a logical and sequential fashion as is customary in the industry. The completion schedule provided to DMS (as included in Subcontract Appendix D) has not been adhered to and our work has been impacted substantially due to delays caused by others. As a result of these delays caused by others, DMS has been forced to complete its work in a piecemeal fashion for which DMS has and continues to incur significant additional cost and time.

The delays in the building structure, namely formwork, structural steel, concrete on deck, roofing and curtainwall are somewhere between 8 to 15 months behind the completion schedule given to DMS at the time of award. None of these delays are the responsibility of DMS but are a combination of delays by other trades and change orders issued by McMaster for which we understand Buttcon has not received any Extension of Time. It should be noted that as of November 30, 2024, none of the mechanical activities in this schedule are on the critical path for the project. It appears that the Cash Allowances are driving the schedule and these are outside of DMS scope and therefore the responsibility of others.

Please see below DMS' Response to Buttcon's Notice of default.

Response time to change notice pricing and revisions, along with proper back-up and substantiation to justify their costs for same.

DMS is surprised to receive the above concern. In fact, on the contrary DMS has been receiving multiple change revisions some of which have taken more than 12 months for resolution and even to-date works cannot proceed on some of the changes due to lack of clarity and approvals by the consultants. Included in **Annexure 2 copy enclosed**, is a list of some of changes which have gone through multiple revisions over an extended timeframe. DMS has and continues to incur unnecessary extra cost and time in assessing and providing multiple pricing for these changes. All quotations provided by DMS have been in accordance with the agreed upon discounts as per the project specification requirements. Moreover, all subtrade quotations have been provided with detailed breakdown of material and labor. Any concerns raised by the project consultant, TMP, with respect to the subcontractor costs have been addressed in a timely fashion. It is pertinent to note that in many cases the Consultant quotation reviews have taken extraordinarily additional time than normal and this has been a major cause of delays in the approval process thereby impacting work progress.

Moreover, similar to DMS, the Change Order pricing on this project continues to be an issue for a lot of the other trades as the scopes on the changes have been very unclear and have been revised time and time again. We understand Buttcon has tried to address this with McMaster to no avail. The electrical contractor Ecco Electrical has faced similar issues, so again to blame DMS in its entirety is somewhat far from the truth.

Outstanding shop drawing submissions and approvals, including, but not limited to:

The Durasystems plenum shop drawings for the work in Level 10 mechanical room were submitted on February 18, 2025. The anticipated lead time of this plenum is approx. six weeks from the approved shop drawings. Durasystem plenum submittals was not reviewed and returned by Buttcon for requirement of upper exhaust plenum support system drawing (P Eng stamp as per specs requirement).

DMS has requested Buttcon to expedite approval for the specified product shop drawings from Durasystems which is the specified product as per specification section 23 31 00 2.4 .1 to enable to release for production. In the meanwhile, DMS is working to arrange the P. Eng drawing for the support system for the upper exhaust plenum. Buttcon and TMP must expedite the shop drawing approval for the specified product.

Service platforms are normally a miscellaneous metal supplies item and not covered under

mechanical scope. Further, this was crossed out in the Supplementary Bid form – Break out pricing Section 00 43 27 (Annexure 3 Enclosed) No proper detail or schematic to construct the platform has been shown in either mechanical or the architectural and structural drawings. The specification section 20 05 00 2.20 .6 does not provide any dimension or material details for construction of this platform. DMS seeks proper details for this platform as this is not a design build project.

Incomplete and incorrect BIM modelling and updates, specifically modelling of the Level 10 mechanical areas and kitchen, delay in providing layout of access panels, clashes not identified on Level 1 for duct/structural beam interferences, etc. (re: e- mail of March 11, 2025). Failure to coordinate with other subtrades on the project related to BIM models and updates to the model.

DMS' scope of BIM modelling is with respect to mechanical services coordination and layouts. Other trades are responsible for their respective coordination and Buttcon must coordinate all the services. At level 10 the recently identified issues between mechanical services and sprinkler piping are being evaluated by Pinnacle, who are responsible for BIM modelling on the project. The updated modelling drawings have been received and are being verified for submission shortly.

Pipe and ductwork insulation and quality of work, correction of deficient work, and provision of insulator credentials as requested by the Mechanical Consultant and as required by the contract specifications.

DMS has completed a mockup in the basement to be reviewed and approved by consultants to progress with the deficiency correction in identified locations. Furthermore, DMS has provided the letter from the insulation subcontractor for his credentials and experience in accordance with specification section 20 07 00.

Failure to confirm material and equipment orders and their respective scheduled delivery dates

DMS is discussing with RMB, our sheet metal subtrade to expedite deliveries. However, it should be noted that RMB cannot progress in several areas including Level 6 and Level 10 as their work is being hindered by others.

Failure and lack of proper on-site coordination (i.e. penthouse pad)

DMS has taken the corrective action for resizing the pads as per site requirement.

Failure to implement the required anchors for HVAC Pipe Risers Anchor Design as designed by DZY Drafting

DYZ drafting, the designer for the anchor system visited the site and had the walkthrough with DMS' mechanical supervisor and the work is being completed to his design requirement.

Failure to have the Testing and Balancing Contractor (TAB) on site for review, coordination and direction regarding balancing dampers, access to valves,

DMS has coordinated with the balancing contractor who will visit the site on April 1, 2025 and the report will be submitted by April 4, 2025.

Failure to have adequate manpower on site to maintain scheduled work

DMS and its sub trades have adequate manpower to cater to the available site work and the schedule provided. The site progress was hindered due to issues beyond DMS' control.

Failure to plan, coordinate and schedule the work for the steam system tie-in

The steam tie in work was originally scheduled to be completed in September 2024. Since the shutdown was denied by the client, this work has now been rescheduled for May 2025. DMS is working with the associated trades and an action plan is being prepared for this tie-in and will be submitted shortly.

Failure to comply with scheduling of work, commitment to milestone dates, and long-term planning, as required during on site pull plan discussions.

It should be noted that the project has suffered delays from the beginning due to factors beyond DMS' control including but not limited to underground work, link building, early work completion issues, structural steel installation, window installation, building envelope, millwork issues, design issues, multiple changes on the project, multiple revisions to changes, delays in RFIs responses, change cost approvals delays, delays in grease interceptor location finalization, Dean Suite changes, Level 6 work stoppage, improper sequence of work, schedule changes, work stoppages due to lack of clarity etc. Due to the above highlighted issues it is impractical to expect any meaningful planning, scheduling and execution of the work. Despite these challenges, DMS has been working with the Buttcon team to advance the project forward. Our team is fully committed to complete the work expeditiously, however, Buttcon and the project consultants must facilitate prompt resolution and provide timely approvals to meet the challenging deadlines.

Late submission of Requests For Information (RFI) and resulting delay to work flow on site.

DMS has been submitting the RFIs in a timely fashion as and when it's teams identify ambiguities or site concerns for installation. It should be noted that Instead of onward submissions to the mechanical consultant for immediate resolution, Buttcon's site team takes additional unnecessary long time in assessing the RFI which is leading to delay in submission. The issue is further exacerbated by the delays in responses from the consultant. This has been an ongoing issue impacting work progress throughout the project.

Strained relationship with mechanical consultants due to constant review of work, pricing, etc.

DMS is surprised to note the above concern. Over the course of the project, DMS has requested on multiple occasions for the mechanical consultant TMP to visit the site to address concerns due to site conditions and design issues. It is customary in the industry for the mechanical consultant to visit and walk the site with the mechanical contractor to minimize any communication gaps and address the issues in a timely manner. DMS was advised on multiple occasions by Buttcon that the mechanical consultant refuses to visit the site for a walk through with DMS' site team. Instead TMP conducted site reviews without involving DMS which is not normal practice. Moreover, these

collaborative visits could have facilitated joint site reviews to change scopes which would have avoided multiple revisions to change notice iterations and could have simplified the change approval process. To date not one site meeting has been arranged between TMP and DMS despite several mechanical design challenges and all requests from DMS have turned deaf ears by the consultant and Buttcon. Any pricing issues raised by TMP were addressed by DMS and its subtrades. This onerous change approval cross exchange which now is being termed by Buttcon as strained relation with the consultant is inappropriate and does not warrant inclusion in this notice.

Failure to coordinate and provide timelines and durations for commissioning activities and commissioning schedule development.

The project has been delayed due to factors listed above and the installation work is still in progress. The start ups and commissioning can be planned once the site readiness and tie into the equipment are complete. DMS is working with Buttcon for their prerequisite scope completions along with other trades to complete the installation and make equipment ready for start ups as per manufacturer's procedures. As soon as the above scopes are completed, DMS will arrange a proper time line for start up to be followed by the commissioning schedule. DMS is working towards developing a commissioning plan and will be sharing the same with Buttcon.

The project has been significantly delayed due to factors listed above. The extent of the delays can be gauged from a simple schedule analysis comparing the contract project schedule included with the Completion Agreement and the November' 24 schedule.

Some of the critical delays on the project include:

| | | Completion Agreement | | 30-Nov-24 | |
|----------|-------------------------|----------------------|-----------|-----------|-----------|
| L1 | Concrete Structure L1 | 13-Dec-22 | 23-Dec-22 | 29-May-23 | 30-Jun-23 |
| Roof | Concrete Structure Roof | 16-May-23 | 24-May-23 | 22-Jan-24 | 29-Jan-24 |
| L1 | Structural Steel L1 | 2-Feb-23 | 27-Feb-23 | | |
| Roof | Structural Steel Roof | 2-Aug-23 | 10-Aug-23 | 28-Mar-24 | 19-Apr-24 |
| Basement | CMU | 18-Jan-23 | 1-Feb-23 | | |
| L1 | Toppings L1 | 13-Apr-23 | 20-Apr-27 | 30-Dec-23 | 30-Dec-23 |
| L10 | Topping L10 | 21-Sep-23 | 28-Sep-23 | 1-May-24 | 6-Jun-24 |
| | Building Watertight | | 20-Oct-23 | | 13-Jan-25 |
| L2 | Curtain Wall L2 | 12-Jul-23 | 2-Aug-23 | 9-Apr-24 | 26-Apr-24 |
| L10 | Curtain Wall L10 | 24-Nov-23 | 8-Dec-23 | 8-Oct-24 | 18-Oct-24 |
| L1 | Curtain Wall L1 | 8-Dec-23 | 3-Jan-24 | 11-Sep-24 | 31-Oct-24 |
| Roof | Roofing | 18-Nov-22 | 20-Oct-23 | 27-Nov-23 | 13-Jan-25 |

The above delays have impacted the mechanical site progress and increased DMS' cost of performance.

In response to Buttcon's request for providing corrective measures please note:

1. DMS and its subtrades have adequate manpower on site to maintain the current

- schedule. We would encourage a collaborative approach in identifying the areas of concern so that the necessary resources can be allocated efficiently to accomplish the requirements
- 2. Durasystems plenum shop drawings have already been submitted. Consultant must review these so the plenum assembly can be released for production as it is a 6 week delivery item. The structural design for the exhaust plenum support is being organized and will be submitted shortly.
- 3. All equipment on the project is mostly on site. The plumbing fixtures are being released based on site progress and requirement. Other finishing items will be delivered to the site as per site readiness.
- 4. The BIM modeling issues are being dealt with Pinnacle (project specified BIM modeling company dealing with majority trades).
 - a. As stated above DMS needs additional information regarding the platform. This does not impact the work in the penthouse. Once finalized this will be incorporated in the model.
 - b. Plenum shop drawings have been submitted since February 18, 2025. Please expedite the review, once approved this can be included in the model
 - c. RMB is reviewing the clashes in the link area based on inputs from Pinnacle. The interference will require inputs from the consultant.
 - d. Penthouse mechanical equipment pad layout has been submitted.
 - e. Coordination drawings for level 7,9 &10 are being reviewed with RMB and will be resolved shortly
 - f. Access door coordination and layout has been submitted
 - g. RMB is reviewing exhaust fan mounting details with Pinnacle and will be finalized by April 4, 2025
 - h. Room B110 model will be updated by April 4, 2025
- 5. The TAB contractor will visit the site on April 1, 2025 and submit the report before April 4, 2025
- 6. Insulation contractor credentials have already been submitted.
- 7. The work plan for steam tie in will be submitted by April 2, 2025

In light of the foregoing, please be advised that DMS is not the source of delay on this project. DMS is working diligently to complete the remainder work on the project collaboratively with Buttcon and expects equal cooperation for successful completion of the project.

Sincerely

Rajesh Ahuja, GSC President



Dependable Mechanical Systems Inc.

Mechanical & Electrical Contractors

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Should you wish to discuss the foregoing, please do not hesitate to call me.



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Yours very truly, DEPENDABLE MECHANICAL SYSTEMS INC. Per: