

Substantial Performance Report



Project:	KLFNS – Kasabonika Lake First Nation Schools	Date:	February 6, 2024
Location:	Kasabonika Lake First Nation		
Contractor:	Penn-Co Construction Canada (2003) Ltd.	Client File:	N/A
Owner:	Kasabonika Lake First Nation	KAL File:	19044

The deficiency list appended to this Report is not exhaustive and does not relieve the Design-Builder from completing all contract work or other deficiencies that may not have been identified.

1. INTRODUCTION

Keewatin-Aski Ltd. has received the final documentation required by the attached Application for Substantial Performance Checklist. Accordingly, we acknowledge Penn-Co’s achievement of Substantial Performance on January 18, 2024.

Further, the architects and engineers of record have submitted the letters to certify the suitability of the new school for occupancy.

2. CLOSE-OUT DOCUMENTATION

Penn-Co’s complete application for Substantial Performance may be downloaded from the attached link:
<https://www.dropbox.com/scl/fo/mswxsfyqus9vubwb9dggk/h?rlkey=9x57bxe3f4847wgofefg0opj5&dl=0>

The draft O&M manuals may be downloaded at the following link:
https://www.mediafire.com/file_premium/243v493dce7iduw/KAS_New_School_-_Preliminary_O%2526M_Manual_%2528Draft%2529.pdf/file

The O&M training videos may be accessed at the following link: https://penncomb.sharepoint.com/:f:/s/Multimedia/ErKeWc-AUPNPI-6bBUpgLYsB9PaS4_-yYoxrn0hyTbcAw?e=5QFniy

Warranty documentation will be provided with the final O&M manuals.

3. DEFICIENCY LIST

The tables available at the following link summarize the deficiencies noted during KAL’s site review:
<https://www.dropbox.com/scl/fo/mswxsfyqus9vubwb9dggk/h?rlkey=9x57bxe3f4847wgofefg0opj5&dl=0>

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4. OCCUPANCY

Suitability for Occupancy is determined by:

- a) HVAC, fire protection and life safety systems are fully installed, commissioned, certified and functioning as intended.
- b) The building is ready for its intended use.

On the basis of the submission by Penn-Co, we endorse the occupancy of the new school in Kasabonika Lake First Nation. Note that occupancy at the existing Chief Simeon McKay School was endorsed on March 8, 2023.

5. SUBSTANTIAL PERFORMANCE

Substantial Performance includes the same requirements as Occupancy, plus an additional monetary threshold which must be achieved based on a maximum value of work remaining. The Ontario Construction Act, R.S.O. 1990, Chapter C.30 defines Substantial Performance as follows:

- (a) when the improvement to be made under that contract or a substantial part thereof is ready for use or is being used for the purposes intended; and

- (b) when the improvement to be made under that contract is capable of completion or, where there is a known defect, correction, at a cost of not more than,
- (i) 3 per cent of the first \$1,000,000 of the contract price,
 - (ii) 2 per cent of the next \$1,000,000 of the contract price, and
 - (iii) 1 per cent of the balance of the contract price.

Ontario Construction Act Calculation	
Contract Value (base value)	\$40,530,261.00
Approved Change Orders (nos. 1 – 28)	+\$7,515,910.64
Work Deferred to Summer 2024 (CO nos. 22, 27 & 28)	-\$636,261.48
Contract Total for Basis of Calculation	\$47,409,910.16
3% of first \$1,000,000	\$30,000.00
2% of the next \$1,000,000	\$20,000.00
1% of balance	\$454,099.10
Substantial Performance Threshold (maximum value of deficiency correction work)	\$504,099.10
Total Value of Deficiencies (per appended table)	\$218,050.00
Meets Value Requirement for Substantial Performance (Yes/No)	Yes (\$218,050.00 < \$504,099.10)

The performance and monetary thresholds for substantial performance are satisfied. Therefore, Penn-Co’s application for substantial performance dated to January 18, 2024 (the date of the final sign-off letter) can be affirmed.

Summary

Based on our review of the project and the submitted documentation, the Kasabonika Lake First Nation Schools project met the criteria for Substantial Performance on January 18, 2024.

If you have any questions concerning this report, please do not hesitate to contact the undersigned.

SUBSTANTIAL PERFORMANCE REPORT BY:

SIGN: 

PRINT: Amy Sheffield, OAA, MRAIC

Attachments:

Penn-Co’s Application for Substantial Performance – Part (15 pages)

Available under separate cover:

KAL Deficiency List (51 pages)

Penn-Co’s Application for Substantial Performance – Full (237 pages)

Draft O&M Manuals

O&M Training Videos