



## **Major Capital Projects and Renewal Status Update**

**To:** Finance, Budget and Enrolment Committee

**Date:** 16 May 2022

**Report No.:** 05-22-4328

### **Strategic Directions**

- Provide Equity of Access to Learning Opportunities for All Students
- Build Strong Relationships and Partnerships Within School Communities to Support Student Learning and Well-Being

### **Recommendation**

It is recommended that the Major Capital Projects and Renewal Update report be received.

### **Context**

This report provides an update regarding the status of the Major Capital projects and renewal projects planned or underway for 2021-22. The report also provides information regarding two recent allocations, under the Federal Safe Return to Class Fund and the COVID-19 Capital Resilience Infrastructure Funding, to support improvements, repairs or maintenance related to school ventilation.

Since the last Major Capital Projects Status Update report in October 2021, the TDSB received approval and capital funding for four new Capital Priority projects as noted below:

From the November 2021 Capital Priorities announcement:

- \$44M for the Lower Yonge Precinct school, which will be part of a mixed-use condominium development. The 455-pupil place school will occupy the third floor podium of a new high-rise development, across the street from a new City park

which students will be able to use exclusively during the school day (Ward 9); and

- \$11.04M plus approval to utilize up to \$13.95M Proceeds of Disposition (POD) for the renovations and expansion of York Memorial CI, to support a 1,300 pupil place school for the consolidation of York Memorial CI and George Harvey CI. (Ward 6). Staff will present a separate report regarding the York Memorial Restoration and Renovation Project at the Finance, Budget and Enrolment Committee of June 8, 2022.

From the April 2022 Capital Priorities announcement:

- \$2.53M for a double-gym addition, internal renovations to retrofit the existing gym into two classrooms, and convert the open plan second floor into closed classrooms at Elizabeth Simcoe Jr. PS to support the consolidation of Jack Miner Sr. PS, Poplar Road Jr. PS, Elizabeth Simcoe Jr. PS and Guildwood Jr. PS (Ward 19); and
- \$13.44M for a 341-pupil place replacement school for Poplar Road Jr. PS, including a 5-room childcare to support the consolidation of Jack Miner Sr. PS, Poplar Road Jr. PS, Elizabeth Simcoe Jr. PS and Guildwood Jr. PS (Ward 19).

The Board has also received Approval to Proceed (ATP) to tender from the Ministry of Education for three projects as noted below:

- Approval to Proceed to tender for the replacement school and 5-room childcare for Dennis Avenue CS (Ward 6);
- Approval to Proceed to tender for the 4-classroom addition and 5-room childcare for George Syme CS (Ward 6); and
- Approval to Proceed to tender in support of the rebuilding of the Jones Avenue building (Ward 15).

TDSB staff will follow up with Ministry staff to discuss the other February 2022 capital priorities submissions that did not receive funding, as noted below:

1. St. Margaret's PS replacement school (Ward 19);
2. Secord PS replacement school (Ward 16);
3. Scarborough City Centre new elementary school (Ward 19); and
4. Canadian Tire Lands new elementary school (Ward 13).

In addition to the five business cases submitted in February 2022, the TDSB also submitted a capital priorities funding request to construct a new stand-alone building for Kâpapâmahchakwêw - Wandering Spirit School, a 5-room childcare and the Urban

Indigenous Education Centre. The Elders along with the Director, and TDSB staff have met with senior staff at the Ministry regarding this request and continue to work towards realizing this goal.

Appendix A provides a summary of the project status for the current capital program, including funding updates. Typically, each Approval to Proceed to tender announcement includes approval of additional capital funding as well as approval to utilize POD to cover capital overages. To receive ATP to tender, boards are required to submit a cost consultant report with a cost estimate based on 85% completion of the tender drawings. It is important to note that the final funding allocation may be adjusted once a project is tendered. Both Ministry and Board approval are required if the construction contract increases the project budget and additional funding is required.

A further report summarizing the total capital funding and expenditure, including anticipated utilization of POD, will be provided at the June 2022 FBEC meeting.

### **Childcare Approvals**

The Ministry of Education recently provided Approval to Proceed to tender for 17 childcare additions as detailed in Appendix B, for a total of \$64.6M. The Ministry approved additional childcare capital funding as well as utilization of POD. The first batch of childcare projects will be issued for tender by late May. It is hoped that there may be some cost savings realized by bundling six to seven projects together into one combined tender package. The projects have been grouped together based on geographical proximity and using the same prime consultant. Staff anticipate bringing a report seeking approval of the construction contracts and any additional funding to the Board in the summer of 2022. Ministry approval will be required if the project costs are over the approved funding.

### **On-going Cost and Timeline Pressures**

Construction across the province continues to be impacted by delays and increased costs arising from the pandemic, notably disruptions in manufacturing and shipping as well as the increased gas costs. Delivery timelines for mechanical and electrical equipment for example have extended from three months to up to twelve months. Other long lead times include products such as fire-rated doors, washroom partitions and even some millwork materials such as countertops. Many of the common materials and equipment used in school construction have been impacted and continue to result in uncertainty with regards to construction schedules. Contractors are factoring these disruptions into their prices, as well as the need to duplicate work, providing temporary solutions, until the final product arrives on site.

The length of time to receive both Site Plan Approval (SPA) from the City and Ministry approval has also had an impact on construction costs and project completion timelines. Both TDSB and Toronto Lands Corporation staff continue to work with the City Planning Department to advocate on behalf of the Board's application submissions.

The Ministry has also indicated that there will be changes in the approval process to shorten timelines, as announced in the recent Capital Funding 2022 - 2023 "B" Memo. (2022: B04). Following the recently completed Lean Review of the Capital Approval Process, including approvals for space templates and Approval to Proceed requests, for both school and childcare projects. The EDU launched a pilot program with a few school boards based on the Lean Review. They indicated that "with the changes made to date, the ministry has been able to reduce approval timelines by up to 50% for 80% of the capital requests made to the ministry". TDSB staff will be engaging with Ministry staff to better understand how these changes will be applied to upcoming TDSB projects.

### **2021 - 2022 School Renewal Program**

The Ministry of Education provides two primary sources of funding for facility improvements: School Condition Improvement (SCI) grant and the School Renewal Allocation (SRA), both of which come with rules for how the money can be spent. In 2021 - 2022, TDSB received \$226.8M in SCI funding and \$46.6M in SRA funds.

Appendix C provides a list of the 2021 - 2022 School Renewal program for projects greater than \$10,000, sorted by Ward. The list includes a brief project description, funding source and construction status as well as a list of common abbreviations used in the project list. The project funding sources include the following:

- School Condition Improvement (SCI) (Mechanical, Structural, Windows, Electrical, Barrier Free, Parking Lots, Field Restoration, Interior Components, Building Envelope);
- Renewal (Health & Safety, Emergency, Standards & Compliance, School Identified High Priority)
- COVID-19 Capital Resilience Infrastructure Stream (CVRIS)
- Other

School administrators and Trustees are able to view a complete list of all current work notifications, work orders and construction projects by school on the [Facility Services](#) webpage. Appendix D provides a summary of the common abbreviations used in the renewal project list. For many renewal projects, it may take two years to implement a project taking into account the time needed to develop the design or engineering drawings, apply for the building permit, tender the work, and factor in the time for construction in an occupied building. During the pandemic, many renewal projects that would normally have been executed during the school year were deferred to the summer. This change, along with the other pressures as noted earlier in the report, has

resulted in a busier than normal summer construction season. Facility staff will liaise with school administrators to ensure that the work that continues into the fall will have a minimal impact on the school and that health and safety concerns are addressed.

The Ministry allows unspent SCI or SRA funds to be carried forward and used in subsequent years. In the recent Capital Funding for the 2022-23 School Year, ([2022: B04](#)) memorandum, the TDSB was allocated \$246.2M of SCI funding and \$45.8M of SRA funding. A report regarding the 2022 - 2023 School Renewal program will be presented in the October 2022 cycle of Board reports.

### **Safe Return to Class Fund and the Safe Indoor Air Top-Up**

The Board has received additional funding since 2020, to address air quality and ventilation improvements in schools. This has included funding to purchase stand-alone high-efficiency particulate (HEPA) filter units. To date, approximately 17,000 HEPA units have been distributed to all schools and work locations.

In August 2020, the federal government announced the Safe Return to Class Fund, with an initial phase of \$381M provided to Ontario. The TDSB allocation was \$84.7M. This funding supported key policy initiatives related to school reopening, including health and safety, personal protective equipment (PPE), student transportation, school-based staffing and remote learning. The funding relating to optimizing air quality and ventilation was provided in two phases. The second phase of these investments was announced in February 2021. The TDSB allocation was \$6.9M for each phase, for a total of \$13.8M.

On March 22, 2022, the Board received an additional \$5.8M of top-up funding, under the Safe Return to Class Fund (2022: B08). The Safe Indoor Air Top-Up is intended to support a range of ventilation work including retrofits, repairs and upgrades to improve ventilation as well as maintenance and recommissioning of existing HVAC systems. However, eligible expenses must be incurred between September 1, 2021, and August 31, 2022. The Ministry has recently provided additional information to help clarify the eligible expenses - including eligible work that occurred in the year prior that can be charged to the additional funding. A summary of the work will be provided at the June FBEC meeting.

### **COVID-19 Resilience Infrastructure Stream (CVRIS) Funding**

In April 2022, a further amount of funding was made available as part of the Federal Investing in Canada Infrastructure Program: Ventilation Improvements in Schools program ([2022: B12](#)). Referred to as CVRIS program, the TDSB received an additional \$3.5M in federal funding with a matching \$989,957 in provincial funding for ventilation improvements. Eligible expenses must be incurred between April 6, 2022, and March 31, 2023. However, Infrastructure Canada is considering a program extension from March 31, 2023, to December 31, 2023, to align with the overall Investing in Canada

Infrastructure (ICIP) program completion deadline. An update regarding the CVRIS program will also be provided to the Board in June 2022.

### **Action Plan and Associated Timeline**

The capital projects that have received Approval to Proceed to tender will be issued for tender in the next few weeks, including the childcare additions. It is hoped that a special Finance, Enrolment and Business Committee meeting can be held later in the summer to approve the construction contracts for Dennis Avenue CS, George Symes CS and the first batch of the 17 childcare projects, subject to Ministry approval.

Facility staff will work with the school administrators to review the construction mobilization and safety plans as construction will be in progress over the school year. In the case of Dennis Avenue CS, the students were relocated to Rockcliffe MS in 2021 as a holding solution until the new replacement school is completed.

### **Resource Implications**

Although the TDSB receives additional capital or land priority funding for extraordinary costs, Proceeds of Disposition funding is often required to cover capital overages. Following Board approval, Ministry approval to utilize POD is required for each capital project. The Ministry requires boards to demonstrate how POD will be used to address the deferred maintenance backlog prior to considering the use of POD for capital projects or other non-funded programs such as program-related or accessibility upgrades. Staff continue to work with the Ministry to review the use of POD, focusing on the development of a multi-year renewal plan, which will be provided in the June 2022 cycle of meetings.

### **Communications Considerations**

TDSB staff will continue to update individual school communities regarding the progress of capital projects. In consultation with the school principal, capital status update information will be posted on each school's web page.

### **Board Policy and Procedure Reference(s)**

Not applicable.

### **Appendices**

- Appendix A: Project Status Updates for Schools and Major Additions
- Appendix B: Project Status Updates for Childcare Additions
- Appendix C: 2021 - 2022 School Renewal Program, List of Projects

- Appendix D: Abbreviations used in the School Renewal Program List

## **From**

Craig Snider, Interim Associate Director, Business Operations and Service Excellence at [craig.snider@tdsb.on.ca](mailto:craig.snider@tdsb.on.ca) or at 416-395-8469.

Maia Puccetti, Executive Officer, Facilities and Planning at [maia.puccetti@tdsb.on.ca](mailto:maia.puccetti@tdsb.on.ca) or at 416-397-3004.

Marisa Chiu, Interim Executive Officer, Finance at [marisa.chiu@tdsb.on.ca](mailto:marisa.chiu@tdsb.on.ca) or at 416-395-3563.

Andrew Gowdy, System Planning Officer, Strategy and Planning at [Andrew.gowdy@tdsb.on.ca](mailto:Andrew.gowdy@tdsb.on.ca) or at 416-394-3917.