



## **Construction Tender Award: Replacement of Bloor Collegiate Institute and Alpha II Alternative School**

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

**Date:** 20 July, 2021

**Report No.:** 07-21-4139

### **Strategic Directions**

- Provide Equity of Access to Learning Opportunities for All Students
- Allocate Human and Financial Resources Strategically to Support Student Needs
- Build Strong Relationships and Partnerships Within School Communities to Support Student Learning and Well-Being

### **Recommendation**

It is recommended that

- (a) Percon Construction Inc. be awarded the contract for the construction of a 110,419 square foot new school, complete with lower level parking of 15,279 square foot on the former Brockton High School site, 90 Croatia Street, Ward 9, in the amount of \$42,788,000 plus HST, subject to Ministry of Education (EDU) approval;
- (b) Proceeds of Disposition (POD) funding of up to an additional \$8,871,379 be utilized to cover the capital shortfall in the event that the EDU does not provide additional capital priorities funding.

### **Context**

The TDSB business case that was submitted to the EDU in July 2013 described the consolidation of the Bloor Collegiate Institute, Kent Senior Public School, and Brockton High school into the new replacement Bloor Collegiate Institute. This relocation would allow for a large part of the land to be sold and create revenue to fund the TDSB's existing and emerging capital priorities. This consolidation envisioned the creation of a community hub, which has been separately funded by the EDU and will be located in

the former Kent Senior PS building. On April 30, 2014 the EDU approved the Board's business case.

The existing Bloor CI/Alpha II Alternative school building is in disrepair. Previous studies have confirmed that there is no cost benefit in retrofitting the existing structure and improving it for new use. A new building that utilizes the Brockton site is the most effective way to consolidate TDSB facilities and support current, as well as future, educational needs, within a modern, accessible, and energy-efficient building.

This consolidation was approved by the TDSB Board in 2012 with the Land Use Management Master Plan Report. The site area occupied by both Bloor/Alpha and Kent PS were declared surplus at that time. This land has been conditionally sold by TLC. The disposition document for this transaction was communicated to the TDSB Board in December 2016. The severing of the TDSB land parcel is conditional on the purchaser, Capital Developments Inc, obtaining zoning and Official Plan Amendment approval for their multi-use development proposal. As part of the agreement of sale, the TDSB has the right to maintain the existing Bloor CI school until July 31, 2021, after which, the facility is to relocate to Central Technical School. The TDSB previously acknowledged the need for a holding solution for the school off site until the new building is completed.

The Brockton High school | Learning Centre facility was also in disrepair. As a result, the building was vacated and demolished. As with Bloor CI, studies identified that a retrofit would be very costly. The EDU reviewed the options of building retrofit versus the construction of a replacement school on the Brockton site and decided in favour of a new build in December of 2016.

The scope of the project has been developed during the design process with input from school staff and the community through Core Design Team (CDT) and New School Review Team (NSRT) meetings.

Moving forward with this project will eliminate the operating and future renewal costs associated with the two deteriorating facilities and enable the construction of a new single secondary school suitable to the program requirements.

## **Action Plan and Associated Timeline**

The replacement school project was issued for tender by Purchasing on the Bids & Tenders platform on June 7, 2021 to four pre-qualified General Contractors (GCs). The tender closed on July 13, 2021.

Of the four pre-qualified GCs, only three bid submissions were received. These GCs are Aquicon Construction Co. Ltd, Everstrong Construction Ltd, and Percon Construction Inc. The lowest bid was from Percon Construction Inc. at \$42,788,000.

The pricing received from the low bidder is \$7,377,962 over the previous estimated construction budget of \$35,110,038. The EDU will be informed of the construction overage and the TDSB will issue a revised ATP to request additional funds in the amount of \$8,871,379. The increased pricing reflects current market conditions, both locally and globally, with increased labour costs and increases in material and equipment costs. **Appendix A** is a letter from the consultant regarding the increased costs.

It is not clear if the EDU will provide additional capital priorities funding. In the event that additional capital priorities funding is not identified, the EDU may approve the use of Proceeds of Disposition to cover the overage.

Construction is currently targeted to commence in September 2021, with an anticipated construction duration of 30 to 32 months. The construction start is subject to the issuance of building permits by the City of Toronto and EDU approval. A Letter of Intent will be issued to the contractor upon receiving EDU approval, which will allow the contractor to order long lead-time equipment and order shop drawings in anticipation of starting construction once the building permits are received.

## **Resource Implications**

At the June 30, 2021 Board meeting, the Board approved the use of \$25M in POD for this project, based on a total estimated project budget of \$50.9M, which includes the \$5.27M in demolition costs. The demolition was completed under a separate contract and previously funded through capital priorities. Due to the unanticipated market pressures on costs, the construction costs, soft costs, and contingency amounts are higher than what was presented in the June Capital report, and the revised costs are reflected below:

### **Total Revised Project Cost (Inclusive of construction overage, not including demolition costs):**

Construction Cost	\$ 42,788,000
Soft Costs	\$ 4,780,000
Project Contingency	\$ 3,567,600
HST	\$ 1,104,529
<b>Total</b>	<b>\$ 52,240,129</b>
Less Previously Approved Funding	\$ 43,368,750
<b>Additional Funds Requested from EDU</b>	<b>\$ 8,871,379</b>

The previously approved funding was allocated from \$20,348,927 capital priorities funding as well as \$23,019,823 in POD funding. This report recommends approval of up

to an additional \$8,871,379 POD funding in the event that the EDU does not support the additional capital grant funding but allows for the use of POD. This is in addition to the \$17.3M in POD request previously approved at the June 30 Board meeting.

The 2021 – 2022 Capital Update report presented to the Board on June 30, 2021 indicated that there is sufficient POD to cover the additional cost for the Brockton-Bloor CI project.

## **Communications Considerations**

A community update on the current project status has been drafted and reviewed with the Principal, Superintendent, and Trustee. The update will be provided to the community upon receiving EDU approval, advising of the anticipated start of construction.

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

Not applicable.

## **Appendices**

- Appendix A: Consultant Tender Review Letter

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