

**City Council****Notice without Motion**

MM43.39	ACTION			Ward:27
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**111 Wellesley Street East Construction Project - Amendment to the 2018 Toronto Employment and Social Services Capital Budget - by Councillor Gary Crawford, seconded by Councillor Paul Ainslie**

*\* This Motion has been deemed urgent by the Chair.*

*\* This Motion is not subject to a vote to waive referral. This Motion has been added to the agenda and is before Council for debate.*

**Recommendations**

Councillor Gary Crawford, seconded by Councillor Paul Ainslie, recommends that:

1. City Council amend the 2018 Capital Budget for Toronto Employment and Social Services by increasing the project cost of Wellesley Place Employment and Social Service Office project (CSS903-01) by \$800,000, funded through a combination of a draw of \$400,000 from the Social Assistance Stabilization reserve (XQ1054) and by permanently allocating funding of \$250,000 from the existing State of Good Repair Mechanical and Electrical Systems (CCA247-23) capital project, and \$150,000 from Accessibility Initiatives (CCA242-01) capital project included in the 2018-2027 Council Approved Capital Budget and Plan for Facilities Management, Real Estate Services, and Environment and Energy Divisions.
2. City Council amend Purchase Order 6045764 issued to Rossclair Contractors Inc. by \$800,000 to \$8,269,859.00 excluding taxes in accordance with the requirements of the Tender Call document 215-2017 and the Contract Agreement 215-2017.

**Summary**

The Wellesley Place Employment and Social Services Office Renovation of floors 1, 2 and 3 at 111 Wellesley Avenue East will remove structural barriers to make the facility more accessible, open and inviting. As part of the modernization, the Ontario Works and Ontario Disability Support Program will share the facility, providing clients with multiple, closely connected services to improve the client experience.

The project is budgeted at \$7.5 million, \$5.0 million funded by Toronto Employment and Social Services through a draw from the Social Assistance Stabilization reserve and \$2.5 million funded by the Province. As of June 15, 2018, construction progress on site was 85 percent complete. The first floor is open to clients, Toronto Employment and Social Services staff are occupying the third floor, and renovation of the second floor is under way.

The original contract was issued to Rossclair Contractors Inc. on October 6, 2017 in the amount of \$6,969,859.00 excluding taxes and was amended on February 28, 2018 by \$500,000 to \$7,469,859.00 excluding taxes due to unforeseen building conditions (eg. an out of date fire alarm system, electrical infrastructure upgrades).

The original amendment was made early in the project and the additional funding has proved to be insufficient to resolve the site condition issues. The approved budget is almost depleted and there are insufficient funds available to complete the balance of the work and to cover costs related to the extended construction schedule. The overall cost to complete the project is estimated to be \$800,000 (excluding taxes) and as common with construction projects, any unused funding remaining at the end of a project will be declared surplus.

This Motion is time sensitive and urgent as the Ontario Disability Support Program, which serves a caseload of 11,000, must move into the building at the end of July. The estimate of the funding required to complete the project was just completed by the consultants and taking the request to standing committee in July would further delay the project. Approval of the additional funding will allow work to proceed and avoid additional costs and service interruptions for City residents.

### **Background Information (City Council)**

Member Motion MM43.39