

Report SSR-SS-08-14

To: Chair Burley and Members of the Social Services Committee
From: Kathryn MacMurdo Children's Services Manager
Meeting Date: August 13, 2014
Subject: **Funding Approval for Dundalk Proton Community School Project**
Status: Recommendation adopted by Committee as presented per Resolution SSC58-14; Endorsed by County Council CC122-14;

Recommendation(s)

WHEREAS Grey County received \$2,048,939 in mitigation funding from the Ministry of Education to assist with the impact of a provincial funding decrease in 2013;

AND WHEREAS the Ministry of Education announced funding for the Schools-First Child Care Capital Retrofit Policy of which \$386,400 in funding is to be allocated to the Bluewater District School Board;

AND WHEREAS the relocation of the Kids N Us Child Care into the Dundalk Proton Community School is one of the projects to be completed under this program;

AND WHEREAS based on a tendered amount received by the Bluewater District School Board, a funding shortfall for the Dundalk Proton Community School Retrofit project is estimated to be \$241,080;

AND WHEREAS the Child Care Mitigation Funding Reserve is expected to contain an estimated amount of \$1,564,211 at the end of 2014;

NOW THEREFORE BE IT RESOLVED THAT Report SSR-SS-08-14 be received;

AND THAT approval be granted to transfer to reserve the 2014 provincial capital funding allocation of \$44,910 to be combined with the estimated 2015 provincial capital funding allocation of \$44,910, for an estimated total of \$89,820 in funding;

AND THAT this \$89,820 in provincial capital funding, along with \$200,000 in funding from the Child Care Mitigation Funding Reserve, be allocated in the County of Grey's 2015 budget to assist the Bluewater District School with the

funding shortfall of the Dundalk Proton Community School Retrofit project which is anticipated to be completed by August 2015.

Background

The Ministry of Education's Schools-First Child Care Retrofit Policy for Consolidated Municipal Service Managers (CMSMs) and school boards requires collaboration to identify licensed child care spaces in schools currently serving four and five year olds and/or school spaces not required for instructional purposes. These spaces can be converted to meet the needs of younger children during the regular school day. Alternatively, repurposed currently unused space that would see a child care operator relocate to a school serving a greater number of children is also encouraged based upon the letter of November 20, 2013 from the Ministry of Education.

Grey County Social Services has been working closely with the Bluewater District School Board (BWDSB) and the Dundalk Community School site to relocate the Kids N Us Child Care program (currently on site in a separate trailer location) into three (3) converted classrooms within the school. Capital retrofit plans were completed and forwarded to the Ministry of Education and provincial approval was granted for the project to proceed and be completed by October 2014.

To date the BWDSB has incurred costs of \$38,623 for the design, testing, drawing and tendering of the project. This part of the project is complete and therefore there are no further costs since there is no redesign required. These costs have been included in the budget submitted to the Ministry of Education. However, after the necessary tender processes were completed by the BWDSB, financial and construction pressures were identified, requiring that carry over of the project take place into 2015, with anticipated occupancy for the 2015 fall term.

Correspondence from school board officials detailing the anticipated shortfall of \$241,180 is attached to this report.

Financial / Staffing / Legal / Information Technology

Considerations

The Bluewater District School Board has advised that the lowest tender received is \$622,000, however, with contract allowances, fees, permits and taxes the total estimate is now \$715,061. Grey County staff have met with Ministry of Education and BWDSB representatives to address funding options.

The total allocation for the BWDSB Schools-First Child Care Capital Retrofit Policy is \$386,400. This includes \$4,000.00 required for renovations at the Amabel Sauble

School in Bruce County; leaving Grey County with \$382,400. The BWDSB is also contributing \$91,481 toward this project for site work, the new heating unit, cabinetry work and data for the new classroom. Ministry of Education permits a carry forward of 2014 capital funding into 2015. The 2014 capital funding combined with the anticipated 2015 capital allocation will provide approximately \$89,820 that can be used toward this project. The combined total of all three funding allocations is \$563,701, leaving a shortfall of approximately \$151,360 which staff recommend be funded by a transfer of up to \$200,000 from the Child Care Mitigation Reserve to allow for an unexpected contingencies.

In order to move this important project forward and to provide Dundalk Proton Community Public School, Kids N Us Child Care Centre and the community of Dundalk with the benefits of a child care center located in a school setting, it is proposed that the shortfall in funding come from the 100% provincial child care mitigation funding reserve. This project will not impact the Grey County levy.

There is sufficient Mitigation funding remaining as outlined in the chart below.

Mitigation Funding Received	Mitigation Funding Used in 2013	Estimated Mitigation Funding needed in 2014	Total Estimated Mitigation Funding Used	Estimated Mitigation Reserve Balance 2014
\$2,048,939	\$346,628	\$138,100	\$484,728	\$1,564,211

Link to Strategic Goals / Priorities

The corporate strategic goal of listening and working together to engage community stakeholders to improved delivery of County Services is key in our community. Grey County staff will be working inclusively with our community and child care partners regarding the necessary decisions to be made to ensure that the desired outcomes can be reached.

Respectfully submitted by,

Kathryn MacMurdo
Children's Services Manager

Director Sign Off: *Barbara Fedy, Director of Social Services*

Attachment: Bluewater District School Board Schools-First Child Care Capital Retrofit Policy – Dundalk Proton Community School Project Review



Bluewater District School Board

P.O. Box 190, 351 1st Avenue North
Chesley, Ontario N0G 1L0
Telephone: (519) 363-2014 Fax: (519) 370-2909
www.bwdsb.on.ca

July 25, 2014

County of Grey
Social Services
595 9th Avenue East
Owen Sound ON N4K 3E3

Attention: Barb Fedy, B.A., Director of Social Services
Kathy MacMurdo, Childcare Manager

**Re: Schools-First Child Care Capital Retrofit Policy Funding,
Dundalk Proton Community School Project Review**

This memo is to confirm conversation and review with the architect and contractor for the Dundalk Proton Daycare Project and in particular costs and budget. The tender amount as submitted is based on the drawings and specifications. The project has professional fees, permits and taxes costs as part of the total budget and represents the total cost of the work. The above tendered number did not include the children cubby cabinets, the kitchen cabinets or the data and telephone wire and connections but it does include the electrical conduit to hold these services from the electrical room to the proposed daycare. The contractor has indicated an allowance of \$30,000 that should be added to cover these items if included in the project.

Project Budget

Tendered amount	\$622,000
Contract Allowances	\$ 30,000
Fees, permits and taxes	<u>\$ 63,061</u>
Total Budget	\$715,061

The tender submission was conditional based on the work not starting until fall of 2014. After review of the tender submission with the Architect and Contractor, savings that may be realized in delaying the work from the summer have been taken and the cost of off hours premium time work and additional costs to protect staff and students while working in an occupied building are included.

The requirement to meet the Day Nurseries Act fixes the scope of work for plumbing, structural, wall and window work and the number of rooms and spaces to operate the program at the child loading numbers required. This provides little opportunity for design changes and therefore cost savings.

The Board supports child care in its schools and recognizes the benefit to students in early years. Reviewing the project and the tender submission, the Board recognizes while some work is required because of the Daycare renovation, the Board receives a betterment from the work. A portion of the site work, the new heating unit, cabinetry work and data for the new classroom is in the base price and is the responsibility of the Board.

Revenue Sources

Schools-First Child Care funding	\$382,400
Board share includes taxes and fees	<u>\$ 91,481</u>
Total	\$473,881

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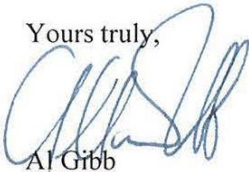
Project Budget	\$715,061
Available funding	<u>\$473,881</u>
Shortfall	\$241,180

The scope of work implies the work would commence in the period of mid-March or early May 2015 and be completed by August 20, 2015. The work on the exterior walls, roof units and site work would be performed in the summer of 2015. One school classroom would be relocated to a section of the library for May and June during construction.

For the work to progress, the shortfall must be covered by additional funding and whatever group is responsible for the extra funding, they must be part of the bi-weekly construction meetings where scope of work, job progress, job co-ordination and contract extras or credits are discussed.

Trusting this is the information you require.

Yours truly,



Al Gibb
Manager Plant Services, Administration
Bluewater District School Board

cc: AnaMarie Prokopich, Early Years Division
Maria Saunders, Early Learning and Child Care Implementation Branch
Paul Hambleton, BWDSB
Peter Wilgress, BWDSB