



STAFF REPORT ACTION REQUIRED

Dawes Road Reconstruction and Expansion Project - Award of Construction Contract and Budget Adjustment

Date: May 26, 2025

To: Toronto Public Library Board

From: City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library Board approval to award a construction tender to JR Certus Construction Co. Ltd. for the Dawes Road branch reconstruction and expansion capital project, and to endorse the amendment of the Toronto Public Library (TPL) 2025-2034 Capital Budget and Plan to ensure there is sufficient funding in the project budget to allow for the award for the reconstruction and expansion of the branch.

The capital budget and plan amendment will increase the Dawes Road project budget by \$11.861 million, from \$38.856 million to \$50.717 million, with funding being reallocated from the multi-branch renovation program budget in future years, resulting in a \$0 net impact on the TPL 2025 – 2034 Capital budget and plan. These budget adjustments will require City Council approval and will be included in the City's consolidated four-month variance report to be presented to the Executive Committee on July 16, 2025.

The total value of construction contract award being recommended is \$35,485,050 plus a contingency of \$5,322,000 for a total commitment value of \$40,807,050 excluding Harmonized Sale Tax (HST). Value engineering exercises were carried out with TPL's third party consultant, Perkins & Will, and the lowest compliant bidder, JR Certus to mitigate costs to the extent possible.

Approval of the requested budget adjustments and the award of the contract will allow for the reconstruction and expansion of the Dawes Road branch to begin in June 2025.

The existing Dawes Road branch will be closed for approximately four years, starting late June 2025. Alternate library service will be available through new Bookmobile stops near Albert Campbell and Main Street Branches.

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. approves a commitment with JR Certus Construction Co. Ltd. for the new construction of Dawes Road Library with a total value of \$40,807,050 excluding Harmonized Sale Tax (HST), comprised of:
 - a. an award of construction tender, being the lowest compliant bid, at a cost of \$35,485,050;
 - b. a 15% contingency of \$5,322,000;
2. endorses the following adjustments to TPL's 2025-2034 capital budget and plan with no net impact on annual debt levels;
3. increase the cost of the Dawes Road reconstruction and expansion capital project by \$11.861 million from \$38.856 million to \$50.717 million, funded by \$8.803 million debt and \$3.058 million development charges (DC);
4. decrease the project cost of the Multi-Branch Renovation Program by \$11.861 million gross (\$8.803 million debt and \$3.058 million DC); and
5. authorizes staff to forward this capital budget adjustment to the City for approval.

FINANCIAL IMPACT

The total value of the contract award and commitment with JR Certus Construction Co Ltd. is \$40,807,050 excluding HST, which is comprised of the tender amount including cash allowances of \$35,485,050, plus a 15% contingency of \$5,322,000.

Budget adjustments are required to ensure there is sufficient funding within the project budget to complete the construction phase of the Dawes Road reconstruction and expansion project. Based on the construction tender amount, remaining architect fees and contingency required for the remainder of the project, the revised project cost estimate is \$50.717 million. See table 1 below.

Table 1: Revised Project Cost (\$ millions)

	Total
Current Approved Budget	38.856
Increase for construction and architect fees	6.539
Additional contingency	5.322
Revised Project Cost Estimate	50.717
Actuals to end of 2024	7.772
Remaining approved budget	31.084
Additional funding required	11.861

The main driver of the project cost increase is the result of the construction tender and the need to ensure the contingency within the project budget is sufficient to address unforeseen items during the construction phase and to account for uncertain economic and trade conditions that could impact the construction market over the life of this project. The revised project cost estimate accounts for known costs (as well as the contingency). Additional budget related to fit-up of the space once construction is complete, for items such as fixturing, furniture, technology, collections, etc., may be required depending on the remaining budget upon construction completion. The project cost estimate will be re-evaluated throughout the construction phase and as amounts for the fit-up portion of the project can be more accurately estimated.

Adjustments included in this report will increase the project budget by \$11.861 million, from \$38.856 million to \$50.717 million. The proposed cash flow adjustments are outlined in Table 2 below.

Table 2: Adjustments to Approved Cash Flows and Project Cost (\$ millions)

	Approved Cash Flows					
Project Name	2025	2026	2027	2028	2029	Total remaining cash flows
Dawes Road Reconstruction and Expansion	2.000	7.069	7.040	6.978	7.997	31.084
Multi-Branch Renovation Program	5.406	10.341	9.060	8.760	8.917	42.484
Total	7.406	17.410	16.100	15.738	16.914	
	Cash Flow					
Project Name	2025	2026	2027	2028	2029	Adjustments
Dawes Road Reconstruction and Expansion	-	3.000	3.000	3.000	2.861	11.861
Multi-Branch Renovation Program	-	(3.000)	(3.000)	(3.000)	(2.861)	(11.861)
Net Adjustments	-	-	-	-	-	
	Revised Cash Flows					
Project Name	2025	2026	2027	2028	2029	Revised remaining cash flows
Dawes Road Reconstruction and Expansion	2.000	10.069	10.040	9.978	10.858	42.945
Multi-Branch Renovation Program	5.406	7.341	6.060	5.760	6.056	30.623
Total	7.406	17.410	16.100	15.738	16.914	

Cash flows in future years from the multi-branch renovation program budget will be reallocated to the Dawes Road reconstruction and expansion project budget in the amount of \$11.861 million (\$8.803 million debt and \$3.058 million development charges) over the years 2026 to 2029. Through the 2026 budget process the capital plan will be reviewed and revised to ensure there is sufficient funding allocated to state of good repair (SOGR) needs addressed through the multi-branch program budget over the 10-year capital plan. This will ensure TPL branches remain operational, safe and available to the community.

The Director, Finance & CFO has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

The new construction of Dawes Road branch supports many strategic plan priorities and goals including:

- Enhancing our physical spaces to provide welcoming, safe, inclusive and sustainable multi-use environment;
- Establishing spaces that build resilience and belonging in every neighbourhood;
- Improved open and public areas on the ground floor and roof top garden to encourage community engagement;
- Dedicated Indigenous design and features to in response to TPL's commitment to Truth and Reconciliation and Indigenous placemaking and placekeeping;
- Improving safety measures such as new digital security cameras, additional access readers and improved sightlines; and
- Collaboration with the City of Toronto to introduce Social Development Finance & Administration (SDFA) programs on the third floor of the building.

DECISION HISTORY

At its meeting on February 24, 2025, the Board adopted report [2025-2034 Capital Budget and Plan - Adoption](#), which outlined the TPL 2025-2034 capital budget and plan as approved by City Council, including the Dawes Road

reconstruction and expansion project with a total project budget of \$38.856 million.

On November 16, 2020, the Board approved report [Dawes Road Branch – Architect – Award of Contract](#), awarding the architectural services contract for the Dawes Road capital project to Perkins + Will Canada Inc.

On February 24, 2020, the Board approved report [Dawes Road Branch – Transfer of Ownership to City of Toronto](#), which allowed for the consolidation of City ownership across the entire site to assist with obtaining planning and building approvals.

At its meeting held on October 2, 3 and 4, 2017, City Council adopted the recommendations contained within Staff Report GM 22.29 titled "[Purchase of Residential Units - 414 Dawes Road](#)" granting authority to City staff to negotiate the acquisition of all eight residential condominium units at 414 Dawes Road.

ISSUE BACKGROUND

The Dawes Road branch has been included in TPL's 10-year capital plan since 2010, and over the years, the scope of the project has undergone significant changes, including the acquisition of eight condominium units above the library and the property next door at 82 Chapman Avenue, which would allow for the demolition of the building and the construction of a new and larger branch capable of delivering modern library service to this Neighbourhood Improvement Area, which lacks access to city and community services.

COMMENTS

The existing Dawes Road branch is a one storey, 6,500 square foot neighbourhood branch. The branch is well used and serves a high-needs, multi-cultural community of 30,139 residents. In 2019, the branch had over 88,000 visits and circulated over 151,000 items. It is in the City of Toronto's Taylor-Massey and Oakridge Neighbourhood Improvement Areas. The catchment population has grown by 3.6% from 2006 to 2016. The neighbourhood surrounding the Dawes Road branch is the sixth most densely populated

catchment area in Toronto, having the second highest proportion of families with young children outside of the downtown core.

Design Process

The new Dawes Road branch will improve the infrastructure of the community by providing a much larger space with improved interiors and meticulously designed outdoor spaces. This allows TPL to continue to provide increased services to all equity deserving groups within the catchment of this branch. The planned work includes the demolition of the existing library and the adjacent detached property at 82 Chapman Ave. to reconstruct and expand the existing branch into a new, 20,000 sq. ft. library.

Early in the planning process, TPL formed a partnership with the City of Toronto Social Development and Financial Administration division to incorporate a 5,500 sq. ft. (City run) community hub space on the third floor.

Significant consultation was undertaken with the Urban Indigenous communities as well as local resident populations. Indigenous place-making has been incorporated into the design and programs of this branch and the community hub. The Dawes Road library design won a 2023 Canadian Architect Award of Merit for its design, a commitment to reconciliation.

The branch design is compliant with the Toronto Green standard V3 and will achieve the Canada Green Building Council's Net Zero Carbon building certification, supporting the City's net zero goals.

Construction Tender Process and Timeline

Tender closed on February 6, 2025, with JR Certus Construction Co. Ltd. as the lowest bidder.

- An open Request for Supplier Qualification (RFSQ) was issued on August 21, 2023, and closed on September 20, 2023.
- Thirteen General Contractors submitted responses, and four firms were prequalified for the next step of the procurement process following an

evaluation and scoring of the responses as per criteria described in the RFSQ.

- Request for Construction Tender (RFT) was issued on November 22, 2024. The expected value of the tender and the approved budget was based on a Class A cost estimate received from the third party architect's quantity surveyor.
- All pre-qualified bidders attended the mandatory site tour on December 5, 2024.
- Two bidders submitted compliant bids by the deadline of February 6, 2025.
- JR Certus Construction Co. Ltd. was the lowest bidder meeting all requirements.
- TPL staff and the third party architect, Perkins & Will, reviewed the submission from JR Certus Construction Co. Ltd. and identified that the bid price resulted in the total project cost exceeding the budget.
- Value engineering exercise was carried out with TPL's third party consultant, Perkins & Will, and the lowest compliant bidder, JR Certus to mitigate costs to the extent possible.
- Written acceptance was received that the General Contractor and all their sub-contractors will comply with the City of Toronto's Fair Wage Policy.

The tender process was conducted in accordance with the Board's Purchasing Policy, including a public call for pre-qualification of General Contractors and a tender process in accordance with instructions to the bidders. Bids were received electronically, using the Library's online procurement system.

Construction timeline

Construction is expected to take place for approximately three to four years. The branch will close at the end of June 2025. Bookmobile service will start immediately after branch closure at 1150 Victoria Park Avenue until the library reopens. Library staff will maintain contact with the local community through agency tables, by continuing class visits at local schools, and continuing to participate in local events as appropriate. Library staff will be reassigned to other TPL branches during the closure.

Library staff and customers will be informed of the changes to services and the progress of the construction through the library's website and social media channels. The local Councillor has been kept up to date on the progress of the project will continue to receive regular updates to share through their community newsletters. Local partner organizations will also be provided with regular updates.

CONTACT

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SIGNATURE

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