



COMMITTEE OF THE WHOLE

Report No. 19-036

16 April 2019

Purchase of New Portable Classrooms

Key Contact: Michael Carson, Chief Financial Officer, 613-596-8211 ext. 8881

PURPOSE:

1. To obtain approval to purchase 20 new modular portable classrooms in order to provide the District with sufficient flexibility to accommodate student needs throughout the system.

CONTEXT:

2. Report No.18-087, Purchase of New Portable Classrooms, was presented to the Committee of the Whole on 18 September 2018. Board approval was received for the purchase of 20 new portable classrooms.

These additional units were required in order to ensure that the District would have a sufficient number of surplus portables available to meet expected needs for the 2019-2020 school year.

Acquisition of the newly constructed portables has been approved by the Ministry and is currently in progress.

In Report 18-087, staff indicated they would monitor the portable inventory and would report back to the Board in the future should that be necessary.

KEY CONSIDERATIONS:

3. Enrolment at both the elementary and secondary panels is expected to increase significantly for the 2019-2020 school year (a total of over 1,000 students).

The portable allocation process for the coming school year will commence on 17 April 2019 with principals submitting their requests. Staff estimates that the District will likely require the use of all available surplus portables in order to meet needs. Note that this count includes the new portable classrooms which will be arriving over the next few months.

The increases in enrolment which the District has been experiencing in recent years are forecast to continue beyond the upcoming school year and into the foreseeable future. This trend will generate a continuing need for additional temporary classroom accommodation.

Further to the submission of Report No. 18-087 in September 2018, staff has had time to examine in detail the age and condition of the existing portable inventory.

Over 70 % of the District's portable classrooms are in excess of 25 years old. Although annual maintenance and renewal assists in the continuing use of these portables, a number may have to be replaced in the coming years with newly constructed units.

Inquiries to the three coterminous school boards have confirmed that none have surplus portables available for purchase at this time. All of the boards responded that they are in a similar position to the OCDSB, either requiring all available portables or seeking the acquisition of additional new units.

Given the above, it is prudent for the District to begin moving forward with the acquisition of additional portables for the 2020-2021 school year and beyond.

It has been staff's experience recently that it has taken longer than expected to receive Ministerial approval for capital expenditures. This includes the most recent purchase of new portables approved by the Board in September 2018.

In order to ensure that accommodation needs are met in a timely fashion, staff is recommending the purchase of an additional 20 new portable classroom units at this time.

It should be noted that separate funding for temporary accommodation is provided by the Ministry based on average costs incurred over the three proceeding years. Under the model staff is projecting that the OCDSB will receive approximately \$900,000 for 2019-2020, most of which would be used for portable moves.

Staff has had discussions with Ministry staff regarding the need for the purchase of new portables and the funding mechanism. The recommendation is to fund their acquisition from capital reserves, subject to Ministry approval.

RESOURCE IMPLICATIONS:

4. New modular portable classrooms include air conditioning and are estimated to cost \$155,460 per unit. This estimated figure excludes HST and any costs to prepare the site, provide service connections, and receive the portables. Additional administrative and permit fee costs, estimated at a total of \$20,000, can also be expected.

Based on the above, the purchase of 20 new portable units is estimated at a total cost of \$3,129,200 (plus HST) to be funded from capital reserves.

It should be noted that the latest cost estimate represents an increase from that which was used in September 2018. The updated figures reflect our most recent actual cost experience under the administered standing agreement.

It is staff's understanding that the higher overall prices for the new portables are a result of recent increases in the cost of materials and a requirement to construct the units to higher energy efficiency standards. New regulations have also required HVAC (heating venting and air conditioning) manufacturers to include more energy efficient systems in the new portables.

COMMUNICATION/CONSULTATION ISSUES:

5. There are no communication or consultation issues associated with the recommendations contained in this report.

STRATEGIC LINKS:

6. The purchase of new portable classrooms will ensure that students are provided with adequate access to required learning environments on site. This is consistent with the stewardship objectives contained in the 2015-2019 Strategic Plan.

RECOMMENDATION:

THAT the purchase of up to 20 new modular portable classrooms, at a budgeted total cost of \$3,129,200 (excluding HST), be approved and funded from Capital Reserves, subject to Ministry approval.

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