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COMPLIANCE WITH MINISTRY OF LABOUR ORDER AT LEASED PREMISES AT 3901 HIGHWAY # 7, CITY OF VAUGHAN

The Community and Health Services Committee recommends the adoption of the recommendations contained in the following report dated January 19, 2011, from the Commissioner of Community and Health Services and Commissioner of Corporate Services.

1. RECOMMENDATIONS

It is recommended that:

1. Council direct Property Services staff to work with the landlord to address and resolve the outstanding air quality issue at the Community and Health Services offices on the fifth floor at 3901 Highway #7, City of Vaughan, to the satisfaction of the Ministry of Labour.
2. Council direct staff to search for suitable alternative premises in the City of Vaughan and negotiate an agreement with the landlord at the new location.
3. Council authorize the Chief Administrative Officer to sign lease agreements for a temporary location.
4. Staff report back to Council for approval of the final relocation with all associated costs.

2. PURPOSE

This report seeks approval from Council to resolve outstanding air quality issues on the fifth floor at 3901 Highway #7, City of Vaughan (*see Attachment 1*), that are subject of a Ministry of Labour order dated December 16, 2010. If these issues cannot be satisfactorily resolved, the report seeks approval to relocate approximately 35 staff providing Ontario Works Services in approximately 10,000 square feet, to another location.

3. BACKGROUND

The Ministry of Labour has issued an Order to improve air quality

Since 2007 Property Services Branch has responded to complaints by management and staff concerning air quality at the Department's Ontario Works leased office site on the fifth floor at 3901 Highway #7 in the City of Vaughan. Property Services Branch has been working with the landlord and tried implementing a number of actions and

remedies. None, however, have improved air quality, and in particular carbon dioxide levels, to the point where American Society Heating, Refrigeration, and Air-Conditioning Engineers standards regarding carbon dioxide are met.

On December 16, 2010 the Ministry of Labour, Health and Safety Division, visited the Vaughan site to assist in the investigation of a complaint regarding odours and air quality. As a result of this visit, the Ministry of Labour issued the following orders to the Region:

1. The employer shall take every precaution reasonable in the circumstances for the protection of workers by ensuring that there is adequate fresh outside air provided to workers working in the fifth floor at this location (3901 Highway #7, City of Vaughan). The employer has had reports prepared by various consultants and internal sampling that shows that additional fresh air is required for the occupant load in this office.
2. The employer shall provide to the Ministry of Labour Inspector in writing a compliance plan which outlines how the employer intends to comply with the order and when the employer expects to achieve compliance with the order.

The Region must comply with the Order from the Ministry of Labour

The Region has taken immediate steps to protect the health and safety of Vaughan staff and developed a plan to resolve the air quality issue to ensure compliance with the Ministry of Labour. Non-compliance may result in a fine of up to \$500,000.

4. ANALYSIS AND OPTIONS

Air quality is an ongoing issue at this location

Air quality and odour has been an ongoing and unresolved issue at the Vaughan office since 2007. Property Services staff have worked with the landlord to improve air circulation, replace window caulking, search for sources of odour, and provided positive pressure to the receptionist workstation. So far, all attempts at resolving the issues have met with limited success.

At a recent meeting regarding the Order of Property Services, Health and Safety, and Community and Health Services Department management staff the group agreed that, based on past testing, remediation and renovation actions, and air quality report recommendations, that air quality standards are unlikely to be met without potentially significant HVAC related renovation, work disruption, and necessary support from the landlord.

Relocate all staff from the Vaughan site to address environmental issues

The lease will expire on September 30, 2013 and the Department had previously decided to move from this site at the end of the lease. Management concluded that the most reasonable course of action for the protection of staff was to:

1. Continue to work with the landlord to immediately improve air quality and eliminate odour, and concurrently to
2. Immediately adopt an Interim Relief Action Plan that includes the potential relocation of Ontario Works staff working on the fifth floor to a temporary office site, and
3. Immediately develop a Relocation Plan for a final new work site for all Vaughan staff, including Early Intervention staff working on the second floor. These program requirements will be incorporated into the Strategic Accommodation Plan review presently being undertaken and scheduled for completion in the summer of 2011.
4. Legal Services is reviewing the terms of lease agreement. When the extent of renovation and other remediation work is determined through further air quality testing and engineering reviews, the Region will be in a position to negotiate a termination agreement.

The Interim Relief Action Plan includes temporary relocation of staff and other measures

The Department will immediately adopt strategies to ensure staff safety, including:

- Approach landlord to immediately upgrade HVAC to increase outside fresh air
- Search for interim accommodation
- Accommodate individual staff requiring medical accommodation based on the indoor air quality including reassignment to alternate locations
- Schedule more frequent fresh air breaks
- Reduce occupancy through reduced number and duration of client interviews, Employment Centre operations, staff meetings, and staff reassignments
- Implement a scent free office policy to mitigate other odour sources that will impact the environment given the current situation

Management has met with Union officials to ensure this meets with their approval.

Development of a long term plan

Concurrent with the Interim Relief Action Plan and regardless of the success of an upgraded HVAC system, the Region will plan the move of all services from the fifth and

second floors at 3901 Highway #7, City of Vaughan. This relocation plan will include an analysis of service and accommodation requirements that consider:

- location preferences
- service collaboration with other services (e.g. Public Health, Child Care)
- suitability of relocation to other existing facilities
- alternate work arrangements (TeleWork)
- the availability of space to meet program requirements
- the cost of leasehold improvements
- compatibility with the Corporate Strategic Accommodation Plan

The final Relocation Plan may include space for Public Health Services

This report presents costs and space requirements for the relocation of Ontario Works and Early Intervention services in the City of Vaughan. Currently however, the Department's Public Health Services Branch does not have a program delivery site in the Vaughan area and this move offers an opportunity for the Department to explore an option to establish a Public Health Services presence.

An interim relocation will require 3 to 9 months to fully implement and the final relocation of staff will require 12 to 30 months

The Interim Relief Action Plan calls for two concurrent activities: HVAC upgrade and a search for a temporary office location. Both actions will take approximately 3 to 9 months to implement. If the HVAC upgrade addresses air quality and odour issues, then the search for a temporary site will not continue.

A long term location for the delivery of Community and Health Services in the City of Vaughan was to occur in concert with the end of the lease agreement in 2013. However, due to these air quality issues it is prudent to begin planning at an earlier stage. If the HVAC upgrade resolves the air quality and odour issues, then this timeframe may extend to 18 to 30 months.

5. FINANCIAL IMPLICATIONS

The interim relocation will incur renovation and moving costs

Using historic costing experiences for office renovations and moves, and estimating costs to terminate the current lease agreement, the interim relocation costs will be approximately \$453,000 in 2011.

Current annual lease costs are \$341,000 for the second and fifth floors at 3901 Highway #7. Relocation estimates do not include costs that would be incurred if the new location was to include additional Public Health or other services.

The Finance Department recommends that sufficient funds to cover the budget variance be allocated from any overall 2010 Regional surplus, thus eliminating any future tax pressures for these costs.

6. LOCAL MUNICIPAL IMPACT

There are no financial implications for municipalities. The interim and permanent relocations will occur in the Municipality of Vaughan. The Department will make every effort to minimize service disruptions to clients.

7. CONCLUSION

The Ministry of Labour visited the Vaughan site in December 2010 to assist in the investigation of a complaint regarding odours and air quality. Since 2007 Property Services Branch has responded to complaints by management and staff concerning air quality at this site. Air quality, however, has remained an ongoing issue.

As a result of the visit, the Ministry issued orders to the Region to take every precaution reasonable for the protection of staff by ensuring that there is adequate fresh outside air provided to staff.

The Region has taken immediate steps to protect staff's health and safety, and has developed a plan which immediately addresses the air quality issue with the landlord in an attempt to meet the requirements of the Ministry of Labour Order while concurrently developing an exit strategy. Council's approval is now required to implement this relocation plan.

For more information on this report, please contact Barry Crowe, Director of Property Services, at extension 1684.

(Attachment 1 referred to in this clause was included in the agenda for the January 19, 2011 meeting.)

3901 Highway 7, Vaughan



LEGEND

- Municipal Boundary
- Regional Boundary



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Planning and Development Services Department
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