

# **Long-Term Care Redevelopment Planning Task Force Agenda**

**September 17, 2026**

**9:30 a.m.**

**Grey County Administration Building**

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|                                                                                                                                           | <b>Pages</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| <b>1. Call to Order</b>                                                                                                                   |              |
| <b>2. Declaration of Interest</b>                                                                                                         |              |
| <b>3. Delegations</b>                                                                                                                     |              |
| <b>4. Items For Direction or Discussion</b>                                                                                               |              |
| 4.a CAOR-RP-26-26 Rockwood Terrace - September 2026 Progress Update                                                                       | <b>2</b>     |
| <b>That report CAOR-RP-26-26, being a September Progress Update on the new Rockwood Terrace development, be received for information.</b> |              |
| <b>5. Correspondence</b>                                                                                                                  |              |
| <b>6. Other Business</b>                                                                                                                  |              |
| <b>7. Next Meeting Date</b>                                                                                                               |              |
| To be determined.                                                                                                                         |              |
| <b>8. Adjournment</b>                                                                                                                     |              |

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|--------------------------------|---------------------------------------------------------|
| <b>To:</b>                     | Chair Matrosovs and Members of Redevelopment Task Force |
| <b>Committee Date:</b>         | September 17, 2026                                      |
| <b>Subject / Report No:</b>    | CAOR-RP-26-26                                           |
| <b>Title:</b>                  | Rockwood Terrace – September 2026 Progress Update       |
| <b>Prepared by:</b>            | Niall Lobley, DCAO                                      |
| <b>Reviewed by:</b>            | Randy Scherzer, CAO                                     |
| <b>Lower Tier(s) Affected:</b> |                                                         |

## Recommendation

1. That report CAOR-RP-26-26, being a September Progress Update on the new Rockwood Terrace development, be received for information.

## Executive Summary

Grey County is developing a new 128-bed long-term care home in Durham adjacent to the existing 100-bed Rockwood Terrace. Once complete, residents will move from the existing home into the new home and will be joined by new residents as the additional beds come into service. With a total project budget of \$96 million, the new Rockwood Terrace remains Grey County's largest single capital project to date.

The project is supported by a broad consultant and construction team. Kasian is leading the architectural, design and technical work; Melloul Blamey is leading construction; and Colliers Project Leaders is supporting the County with overall project management for this complex multi-year build. Construction began in 2024 and, prior to the most recent schedule update, the new home had been expected to reach substantial completion in late 2026 with resident move-in in spring 2027.

The project remains within the approved capital budget and continues to be built to the expected design specifications and quality standards. However, cumulative schedule pressures from difficult winter construction conditions, changes to key exterior elements, and delays in mockup approvals, interior materials/finishes coordination and installation, and unanticipated delivery delays have now moved the anticipated construction completion date to at least late March 2027. With the required County preparation, staff onboarding, systems readiness and Ministry of Long-Term Care inspection period following construction completion, resident move-in is now expected to shift to 'summer' 2027. This delay is of magnitude that staff felt should be brought forward for Committee discussion, particularly because Council will shortly be reviewing draft 2027 and 2028 budgets that were prepared on the previous spring 2027 move-in assumption.

# Background and Discussion

Rockwood Terrace is a complex, multi-year project involving the coordinated work of design consultants, construction teams, technical specialists, trades, County staff and future operational teams. When it opens, the new home will support the highest standards of long-term care in a purpose-built setting that is comfortable, engaging and responsive to resident needs.

As of this report, the project remains on budget and aligned with the approved design and specifications. The issue now before the Task Force is not one of project scope, quality or capital budget pressure, but rather the cumulative impact of schedule delay and the implications of that delay for resident move-in and related operating budget assumptions.

The project continues to be actively managed through regular bi-weekly site meetings, monthly project meetings between the County, Colliers and the design consultant team, and focused working sessions with construction, design and sub-teams such as Furniture, Fixtures and Equipment. These meetings provide the structure for monitoring progress, resolving issues and reviewing the critical path toward completion.

Over the life of the project, there have been three significant schedule shifts:

| <b>Schedule Point</b>       | <b>Construction Completion Assumption</b> | <b>Estimated Resident Move-in</b> | <b>Notes</b>                                                                                                                                                                                                                         |
|-----------------------------|-------------------------------------------|-----------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Original tender schedule    | Late summer / early fall 2026             | January 2027                      | Allowed for County readiness work and Ministry inspection following construction completion.                                                                                                                                         |
| Revised planning assumption | Late December 2026                        | April 2027                        | Reflected the impact of roof and window changes, difficult winter construction conditions, and the point at which the building would become watertight.                                                                              |
| Current planning assumption | Late March 2027                           | Summer 2027                       | Reflects delays in mockup completion and approvals, interior materials/finishes coordination and installation, and unanticipated delivery delays, with operating budget assumptions to be updated before the December budget review. |

Grey County and the project team note that three to four months will be required between completion of the building and resident move in. This allows for staffing and training to be completed and arranging for two critical Ministry inspections. The first is a virtual inspection and the second a physical inspection. The latter of these is the most critical occurring when the home is essentially ready to open, with all required systems, furnishings, staffing plans and operational processes in place. The standard for passing inspection is high, and it is important that schedule recovery efforts do not create risk at this final stage.

While the initial revised schedule was not desirable, it remained within a degree of reasonableness given the winter conditions and the technical complexity of the build. It also provided some practical operational benefit, as moving approximately 100 residents in January would have been far from ideal, whereas a spring move-in would likely have been easier for residents, families and staff.

Through much of summer 2026, construction activity continued to progress at the planned rate of completion, but without any make up for previously lost time. The project team has required mock-ups to be completed as a tool to validate the proposed materials and fixtures and to evaluate the workmanship, coordination and constructability. The mock-ups are used as a standard of acceptance for the work prior to full-scale implementation, allowing the owner, design and construction teams to review how completed spaces will function and appear before final material orders and installation sequences are confirmed.

Delays in completing and approving these mockups have compressed the timing for material confirmations and contributed to a further schedule update from Melloul Blamey. The construction team now estimates that building completion will move to late March 2027 at the earliest.

On September 1, the project team identified two additional emerging issues. The first relates to lower-than-anticipated gas pressure on site, which is affecting the backup generator. The second relates to a software issue at the wall protection manufacturer that has temporarily paused production, with no confirmed timeline for resumption. As the site is ready for wall protection installation, any delay in supply could affect near-term progress. Both issues are recent, and the project team is seeking further information. At this stage, the schedule impact is not yet known, but these matters may place additional pressure on the current late March 2027 construction completion timeframe.

Allowing for the required three-to-four-month period for County preparations, staff onboarding, systems readiness and Ministry inspection, resident move-in is now expected in summer (June – mid-September) 2027.

The contractor, consultant and owner teams continue to look for opportunities to compress the schedule, make up time where possible and minimize the impact of the delay. At this stage, staff regard the summer 2027 move-in timing as a prudent planning assumption, while recognizing that the project team will continue to test whether improvements can be achieved.

Staff are also reviewing whether any portion of the three-to-four-month readiness window between construction completion and resident move-in can be tightened. Some opportunities may exist; however, this period includes critical activities that cannot be compromised, including staff and systems readiness and Ministry of Long-Term Care virtual and in-person inspections.

Staff note that a delay of this magnitude is regrettable, but not unrealistic for a project of this complexity, particularly given the winter conditions experienced and the need to maintain the approved design and quality expectations. The delay does not change the County's commitment to delivering the home within the approved capital budget and to the standard expected for residents, families and staff.

The timing of this update is important. Staff developed the draft 2027 budget and draft 2028 outlook on the basis of resident move-in and full operations beginning in April 2027. The Long-

Term Care Committee will review those draft budgets on September 17, with County Council consideration later in September. The latest schedule update was received too recently to be incorporated into those draft materials. Staff will complete the financial analysis and incorporate the revised move-in assumption into the budget package brought forward in December.

In summary, the project remains on budget and aligned with the approved scope and quality expectations. The key change is timing. That timing change is now significant enough to be reported to the Task Force and will require updates to the operating assumptions that underpin the 2027 and 2028 budget review.

## Financial and Resource Implications

The latest schedule update is not expected to affect the approved \$96 million project capital budget or the quality and scope of the build. The financial impact is instead related to operating assumptions for 2027 and 2028, because resident move-in is now expected to occur later than assumed in the draft budgets currently moving forward for review.

- 2027 revenue associated with the additional beds will be lower than originally anticipated because the beds will come into service later in the year.
- Some staffing costs associated with the expanded home may also be deferred, as recruitment, onboarding and start dates for a number of new roles can likely be adjusted to align with the revised opening date. The Rockwood Terrace team is reviewing which staffing commitments can be moved and which will still be required to support readiness.
- Operating costs for the new home will be lower in 2027 than previously assumed because the building will operate for fewer months. This will be partially offset by the existing Rockwood Terrace continuing to operate longer than planned.

Staff are analyzing the net operating impact of the revised schedule and will update the 2027 budget and 2028 outlook before the December budget review. The September budget materials should therefore be understood as reflecting the previous April 2027 move-in assumption, with the revised summer 2027 timing to be incorporated through the next budget update.

## Relevant Consultation

- ☐ Internal (list)
  - ☐ AODA Compliance (describe)
  - ☐ Contribution to Climate Change Action Plan Targets (describe)
- ☒ External (list)
  - ☒ Collier Project Leaders

## Appendices and Attachments

None.