

### **3. Capital Project: Project Planning Report for the University of Toronto Mississauga North Building Reconstruction, Phase A**

The Chair said that the proposed Capital Project for the University of Toronto Mississauga (UTM) North Building Reconstruction, Phase A also had been considered by the P&B on January 11<sup>th</sup> and if recommended by the Academic Board would be considered for approval by the Governing Council on February 16th.

Professor Gotlieb provided a summary of the proposed capital project. Constructed in 1967, the North Building was the oldest structure on the UTM campus. While the building had been intended to serve only as a temporary structure, the growth in academic and research programs and student enrolments had not allowed for the removal of the building from active service, despite its substandard conditions. Phase A of the proposed project, the first of three planned phases, would entail reconstruction of a four-storey structure to replace the south portion of the existing two-storey North Building. The estimated total project cost was \$56-million. Professor Gotlieb then outlined the discussion that had occurred at the P&B meeting, a summary of which is contained in the Committee minutes<sup>1</sup>.

The Chair noted that some questions had been received from one Board member and she thanked him for having submitted them in advance of the meeting, allowing for full responses to be obtained.

At the member's suggestion, Professor Scott Mabury, Vice-President, University Operations, outlined the difference between a 'gross square meter' (gsm) and a 'net assignable square meter' (nasm). He explained that a nasm referred to the usable portion of a building, whereas a gsm included all space in a building. Older buildings typically had a conversion of 1 gsm=1.5 or 1 nasm. However, in newer buildings, a conversion of 1 gsm=2 nasm was not uncommon, due to an increase in the number and complexity of systems housed in modern structures. Observing that the amount of space did not necessarily reflect the quality of space, Professor Mabury added that the condition of the North Building was extremely poor. Professor Misak concurred.

Referring to the Project Planning Report, the member asked for greater information about additional projected costs not contained in the budget. Professor Mabury replied that the estimated total project cost was \$56-million. It was expected that that amount or less would be spent on the project. Under the *Policy on Capital Planning and Capital Projects*<sup>2</sup> the President or designate was authorized to approve a project cost increase up to the lesser of \$2-million or 10% of the project cost; any greater increase would require subsequent governance approval. Professor Mabury stated that he did not intend to approve such an increase. Given that the project would follow a tendered process, details of the budget were sensitive. UTM would address any infrastructure issues that were separate from the proposed project, and kitchen and server equipment and fitout would be funded by the UTM food service provider.

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<sup>1</sup> <http://www.governingcouncil.utoronto.ca/AssetFactory.aspx?did=8167>

<sup>2</sup> [http://www.governingcouncil.utoronto.ca/policies/policies\\_v2/capplan.htm](http://www.governingcouncil.utoronto.ca/policies/policies_v2/capplan.htm)

Mr. Julian Binks, Director, Planning and Estimating, Capital Projects, responded to the member's questions regarding LEED silver certification. He stated that the University's new building projects had been designed and budgeted to meet LEED silver standards for some time. Although the true premium cost of such standards was debatable, the quantity surveyor firm used by the University generally included a 3% premium. In response to the member's questions about the addition of a green roof, Professor Mabury noted that while green roofs were a requirement in the City of Toronto, that was not the case for the City of Mississauga. He reiterated that a tendered process was followed by the University and for that reason it was undesirable to disclose detailed budget projections. Mr. Paul Donoghue, Chief Administrative Officer, UTM, explained that design teams possessed the LEED expertise necessary to assess the appropriate features for a project from a design and cost perspective. The suitability of a green roof was considered on a case-by-case basis. He added that a green roof had been incorporated into the design of both the UTM athletic and instructional centre.

Professor Amy Mullin, Vice-Principal, Academic and Dean, UTM, emphasized the importance of the proposed capital project to the campus' future, particularly in light of plans for expanded enrolment at both the graduate and undergraduate level. The proposed reconstruction would allow for improved space and for departments to be housed together rather than to be dispersed across the campus. Better interactions between students and faculty would be another of the positive outcomes of the project.

On motion duly moved, seconded, and carried

#### YOUR BOARD RECOMMENDS

1. THAT the Project Planning Report for the University of Toronto Mississauga, North Building Reconstruction, Phase A, dated December 16, 2011, be approved in principle; and
2. THAT the project scope, covering 5,220 nasm, as identified in the Project Planning Report, a copy of which is attached hereto as Appendix "C", be approved in principle at a total project cost of \$56-Million with funding as follows:

Provincial Government	\$ 35.0M
Funds from borrowing	\$ 17.0M
UTM capital reserves	\$ 3.1M
<u>UTM Graduate Expansion Fund</u>	<u>\$ 0.9M</u>
Total	\$ 56.0M