



STRICTLY CONFIDENTIAL

TO: Business Board

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DATE: April 23, 2013 for May 6, 2013

AGENDA ITEM: 11 (b.)

ITEM IDENTIFICATION:

Report of the Project Planning Committee for the Environmental Science and Chemistry Building at the University of Toronto Scarborough – Execution of Project.

JURISDICTIONAL INFORMATION:

Section 5.2 (b) of the terms of reference for the Business Board states that the Board is responsible for “approval of capital expenditures for, and the execution of, approved projects, as required by approved policies.”

Under the *Policy on Capital Planning and Capital Projects*, “...proposals for capital projects exceeding \$10 million must be considered by the appropriate Boards and Committees of Governing Council on the joint recommendation of the Vice-President and Provost and the Vice-President, University Operations. Normally, they will require approval of the Governing Council. Execution of such projects is approved by the Business Board.”

PREVIOUS ACTION TAKEN:

This project was considered by the Planning and Budget Committee at its meeting on April 17, 2013 and recommended for approval in principle to the Academic Board for consideration at its May 2, 2013 meeting. (Project Planning Committee Report attached as Appendix A.)

HIGHLIGHTS:

The Environmental Science and Chemistry Building will become the scientific anchor for the North Campus development and will be home to the Department of Physical and Environmental Sciences (DPES). DPES is a multi-disciplinary and interdisciplinary department (Chemistry, Environmental Science, Physics and Astrophysics). The Environmental Science and Chemistry Building will house two of the three disciplines (Chemistry and Environmental Science and will



serve as the hub for research and teaching in these two disciplines.

The building will have a gross area of 10, 116 square metres, or 5, 058 nasm. The building is proposed to have five levels with a basement that is linked underground to the adjacent Instructional Centre. It will be designed to meet a minimum of LEED silver standard as well as meet the Toronto Green Building Standard with a desire for Voluntary Tier 2.

The site is located in what is currently Parking Lot G, immediately adjacent to the recently completed Instructional Centre, northwest of the Ellesmere and Military Trail intersection. As the second building on the north campus lands, the Environmental Science and Chemistry Building will continue the pedestrian-scaled development along Military Trail consistent with the UTSC 2011 Campus Master Plan.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

a) Total Project Cost Estimate

The total estimated project cost for the project is \$65,120,000, which includes estimates or allowances for the following:

- construction costs (assuming design/build procurement to aid in compressed schedule and budget control)
- contingencies
- taxes
- site service relocates including water, sanitary, storm and natural gas, electrical connections
- demolition required to connect to Instructional Centre Basement
- landscaping
- permits and insurance
- Professional fees, architect, engineer (assumed within Design Build proposal), miscellaneous consultants (ie. AV etc.), project management.
- computer and telephone terminations
- moving, decommissioning of vacated labs
- furniture and fixed equipment
- miscellaneous costs [signage, security, other]
- commissioning
- escalation
- project financing costs

Further assumptions within the total estimated cost for the project of \$65,120,000, to be identified separately, are as follows: landscaping, loose furniture, computer equipment, audiovisual equipment, signage and wayfinding, donor recognition ceremonies and financing costs during design and construction.



The estimated total project cost for the Environmental Science and Chemistry Building, includes an underground servicing tunnel to the Instructional Centre.

b) Operating Costs

The total annual costs for this facility are estimated at \$2,022,000 and have been provided for within the UTSC operating budget. Of this cost, \$750,000 is related to utilities, building and maintenance costs. Operating costs include annual debt service cost of \$1,272,000 based on borrowing \$15,000,000 at a rate of 7% amortized over 25 years.

RISK IMPLICATIONS:

1. Unanticipated site conditions discovered during excavation.
2. Labour disruptions in the construction industry.

RECOMMENDATION:

Be It Resolved

Subject to Governing Council approval of the project in principle,

THAT the Vice-President University Operations be authorized to implement the Environmental Science and Chemistry Building at UTSC at a total project cost of \$65,120,000, to be funded as follows:

UTSC Operating Funds	\$47.62 million
Capital Campaign Outstanding*	\$10.00 million
Graduate Expansion Funds	\$2.50 million
Borrowing	<u>\$5.00 million</u>
TOTAL	\$65.12 million

*(*funds not in hand from advancement will require financing)*