



FOR RECOMMENDATION

CONFIDENTIAL

IN CAMERA SESSION

TO: Planning and Budget Committee

SPONSOR: Professor Scott Mabury, Vice President, University Operations

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DATE: February 14, 2014 for February 26, 2014

AGENDA ITEM: 12

ITEM IDENTIFICATION:

University of Toronto Libraries High-Density Library Storage Facility Expansion at the Downsview Campus - Change in Space Program, Budget and Sources of Funding

JURISDICTIONAL INFORMATION:

The *Policy on Capital Planning and Capital Projects* requires that project budget increases, for projects receiving Level 2 approval, must be approved by the same authority providing the original authorization. In a case where a budget increase pushes the project into the next approval level, and funds are available, the spending increase must be approved by the authority of that higher level. Irrespective of cost issues, a re-submission to the appropriate approval level is required where significant changes to a space program have been introduced. Section B of the *Policy* states:

“Project Budget Increases

- For projects requiring Level 3 approval, any budget increase exceeding the lesser of 10% or \$3M of the original total project cost, and where funds are available, must be approved by the Business Board.*
- Project budget increases required for projects receiving Level 1 and 2 approval must be approved by the same authority providing the original authorization. In a case where a budget increase pushes the project into the next approval level, and funds are available, the spending increase must be approved by the authority of that higher level.*

Changes in Scope

- Irrespective of cost issues, a resubmission to the appropriate approval level is required where significant changes to a space program have been introduced.”*

The change in space program and budget of the University of Toronto Libraries High-Density Library Storage Facility Expansion at the Downsview Campus has pushed this project to Approval Level 3.

The Committee considers reports of project planning committees and recommends to the Academic Board approval in principle of projects (i.e. space plan, site, overall cost and sources of funds). 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.

GOVERNANCE PATH:

A. Change in Space Program, Budget and Sources of Funding

- 1. Planning and Budget [for recommendation] (February 26, 2014)**
2. Academic Board [for recommendation] (March 20, 2014)
3. Governing Council [for approval] (April 8, 2014)

B. Execution of the Project

1. Business Board [for approval] (March 3, 2014)

PREVIOUS ACTION TAKEN:

In May 2013, the Executive Committee of Governing Council confirmed the report of the Project Planning Committee Report for the University of Toronto Libraries (UTL) High-Density Library Storage Facility Expansion at the Downsview Campus, dated April 3, 2013 (attached for reference). The project scope described in that report was an expansion of the storage facility by two bays, totalling approximately 1,670 gross square metres (gsm), or approximately 1,288 net assignable square meters (nasm). The project was confirmed at a total project cost of \$6.45 million with funding by an allocation from the University's operating budget.

HIGHLIGHTS:

Discussion of the upgraded project scope can be found in the open session document "University of Toronto Libraries High-Density Library Storage Facility Expansion at the Downsview Campus - Change in Space Program, Budget and Sources of Funding", item number 6, for this meeting.

FINANCIAL IMPLICATIONS:

a) Total Project Cost Estimate

The total estimated project cost for the three bay expansion of the UTL Downsview Library Storage is \$10,128,399.

b) Funding Sources

The funding sources for the project are:

○ UofT Operating Budget	\$ 6,450,000
○ University of Toronto Libraries	\$ 838,120
○ Productivity and Innovation Fund, MTCU	\$ 2,102,000
○ Graduate Expansion Funds University Wide	\$ 738,279
TOTAL	\$ 10,128,399

e) Operating Costs

The current annual operating costs (2014, including utilities) for the existing UTL facility are \$99/gsm. It is anticipated that this rate will apply to the new phase of the building as well (totaling an additional \$264,825). Existing staffing complement of the facility will not change with this expansion. Annual building operating costs will be borne by the University of Toronto Library.

On-going operating costs will be covered by participating institutions on a per volume basis.

RECOMMENDATION:

Be It Recommended to the Academic Board:

1. THAT the University of Toronto Libraries High-Density Library Storage Facility Expansion at the Downsview Campus (three bay project) with a scope of 2,435 net assignable square meters (2,675 gross square metres) be approved in principle with a total project cost of \$10,128,399 to be funded as follow:

● UofT Operating Budget	\$ 6,450,000
● University of Toronto Libraries	\$ 838,120
● Productivity and Innovation Fund, MTCU	\$ 2,102,000
● Graduate Expansion Funds University Wide	\$ 738,279
TOTAL	\$ 10,128,399

DOCUMENTATION PROVIDED:

- Report of the Project Planning Committee for the University of Toronto Libraries High-Density Library Storage Facility Expansion at the Downsview Campus (dated April 3, 2013) - for reference
- Drawing of proposed facility