

**FOR APPROVAL**

**CONFIDENTIAL**

**IN CAMERA SESSION**

**TO:** Business Board

**SPONSOR:** Professor Scott Mabury, Vice President, University Operations

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**PRESENTER:** Malcolm Lawrie, Assistant Vice-President, University Planning Design and Construction

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**DATE:** June 9, 2015 for June 18, 2015

**AGENDA ITEM:** 3

**ITEM IDENTIFICATION:**

Capital Project: University of Toronto Mississauga Biology Greenhouse –**Execution of the 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.”

**GOVERNANCE PATH**

- 1. Business Board [for approval] (June 18, 2015)**

**PREVIOUS ACTION TAKEN:**

The request for approval was recommended at Campus Council on December 9, 2013, approved for execution of project at Business Board on January 27, 2014, approved at Academic Board on January 30, 2014 and confirmed at the Executive Committee meeting March 27, 2014 however a revised Total Project Cost requires that it be reconsidered by the University of Toronto governance approval cycle. In May 2015, University of Mississauga Campus Council recommended the revised Project Planning Report for the University of Toronto Mississauga Biology Greenhouse.

## **HIGHLIGHTS**

The initial TPC of \$4,170,391 was recommended by UTMCC and approved in principle by the Academic Board and approved for execution by the Business Board. The Executive Committee, which was considering this item for confirmation at its February 12, 2014 meeting, deferred its decision to its next meeting in order to gather more information and subsequently approved a TPC of \$3,284,391 (\$671/gross square foot) on March 27, 2014. Following detailed design work, first tender was issued on January 19, 2015 and the responding bids that were received for the project all exceeded the budget. It is now necessary for the university to accommodate a higher than anticipated cost and as a consequence the TPC has been revised to \$4,967,922.

Please see the financial implications below.

The approved project scope remains unchanged, totalling approximately 432.0 gross square metres or about 276.9 net assignable square meters (nasm).

## **FINANCIAL IMPLICATIONS**

### **a) Total Project Cost Estimate**

The proposed Total Project Cost (TPC) for Phase 1 of the Biology Greenhouse project is \$4,967,922.

### **b) Operating Costs**

Annual energy and maintenance costs are expected to range from \$72,400 to \$86,000. Additional annual operating costs related to staffing and transportation (operating cost of van) is estimated at \$67,600 per year. UTM's annual Operating Budget has provided for these increased costs that total between \$140,000 and \$153,600.

The annual estimated cost of energy and maintenance; between \$262 and \$311 / nasm.

### **c) Funding Sources**

The funding source is:

Capital Reserve derived from the UTM Operating Budget \$4.968 million

**RECOMMENDATIONS:**

Be It Resolved:

Subject to Governing Council approval in principle of the project

THAT the Vice-President University Operations be authorized to implement the project for the University of Toronto Mississauga Biology Greenhouse at a revised total project cost of \$4,967,922.

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**DOCUMENTATION PROVIDED:**

- *Report of the Project Planning Committee for the University of Toronto Mississauga Biology Greenhouse, dated October 31, 2013.*