



**FOR APPROVAL**

**STRICTLY CONFIDENTIAL**

**TO:** Planning and Budget Committee

**SPONSOR:** Gail Milgrom, Director, Campus and Facilities Planning

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**DATE:** April 30, 2013 for May 15, 2013

**AGENDA ITEM: 15**

**ITEM IDENTIFICATION:**

The Report of the Project Planning Committee for the Ramsay Wright Building Teaching Laboratories Upgrades – Financial and Planning Implications and Funding Sources

**JURISDICTIONAL INFORMATION:**

The Committee considers reports of project planning committees and recommends to the Academic Board approval in principle of projects (i.e. site, space plan, 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. Execution of such projects is approved by the Business Board.

**BACKGROUND:**

This item anticipates that the motion before the Committee to recommend for approval in principle the Project Planning Committee Report for the Ramsay Wright Building Teaching Laboratories Upgrades, dated April 29, 2013 has been approved. As well, it is anticipated that the project scope totalling approximately 7,800 gross square metres (approximately 3,846 nasm), has also been approved in principle.

**FINANCIAL AND PLANNING IMPLICATIONS:**

**a) Total Project Cost Estimate**

The proposed Total Project Cost (TPC) for all phases of the Ramsay Wright Building Teaching Laboratories Upgrades project is \$14,680,000.

The project budget by phase is as follows:

Phase 1 - \$8,550,000  
Phase 2 - \$3,672,000  
Phase 3 - \$2,458,000  
Total - \$14,680,000

**b) Operating Costs**

Operating Costs for the renovated Ramsay Wright building can be anticipated to be in the range of newer existing laboratory intensive buildings on the St. George Campus. For 2012-2013, the Ramsay Wright building has operating costs of \$219/nasm. As an example of newer lab-intensive buildings, CCBR has an operating cost of \$291/nasm, Lash Miller has an operating cost of \$231/nasm and Earth Sciences Centre \$205/nasm.

The anticipated budget for the existing Ramsay Wright building for 2013-14 is \$241/nasm for all operating costs, including utilities. Following the renovations, the greatest change to the 1st and 2nd floors will be the additional electricity and maintenance costs from the air conditioning of these spaces. Assuming approximately 7,800 gsm of newly cooled space, the estimated incremental cost for electricity and mechanical maintenance is approximately \$91,000. Spreading this across the total building area, this adds \$6.40/nasm to the overall operating cost of the building for a post-renovation operating cost of \$247/nasm.

Note: Operating costs as quoted do not include the University's budget model Shared Services fees. Ramsay Wright costs are based on a total building area of 14,291 nasm (or 25,428 gsm).

**c) Funding Sources**

The funding sources are as follows:

- Faculty of Arts and Science \$ 8.72 million
- Graduate Expansion Funds \$ 2.29 million
- Borrowing \$ 3.72 million
- Total \$ 14.68 million

**RECOMMENDATIONS:**

Be It Recommended to the Academic Board:

1. THAT the project scope totalling 7,800 gross square metres (approximately 3,846 nasm), for all phases of the Ramsay Wright Teaching Laboratories Renovation, be approved in principle with a total project cost of \$14,680,000 to be funded as follows:

- Faculty of Arts and Science \$ 8.72 million
- Graduate Expansion Funds \$ 2.29 million
- Borrowing \$ 3.72 million
- Total \$ 14.68 million