

TO: Business Board
FROM: John Bisanti
FOR: Meeting of May 6, 2002
AGENDA ITEM: 4 (d)

ITEM IDENTIFICATION:

- **Capital Project
University of Toronto at Scarborough (UTSC)
Academic Resource Centre - Revised Project**

SPONSOR:

- John Bisanti
Chief Capital Projects Officer
Call 978-4322 for further information

JURISDICTIONAL INFORMATION:

Basis of Board's Jurisdiction

- Once Governing Council approves a capital project, Business Board has approval of execution of the capital project.
- Pursuant to Section 5C of the Policy on Capital Planning and Capital Projects, the Business Board is charged to assess the "cost effectiveness of the project, the extent to which full funding is committed or obtainable, and whether there are any significant outstanding and unresolved issues with respect to the project".

PREVIOUS ACTION TAKEN:

- On May 7, 2001 the Business Board approved the expenditure of \$1.1 million for the design and site development work related to the Academic Resource Centre at UTSC.

HIGHLIGHTS:

- In June 2001 the Planning & Budget Committee approved a change of scope for the ARC project. Following the appointment of the architects, it became clear that the proposed ARC development could be substantially enhanced were the existing Bladen Building extension demolished. The difficulty centres around the inability of the Bladen extension to carry increased snow loads; furthermore this building had been poorly constructed and did not warrant the additional expense to reinforce what was an inadequately designed building. It was therefore decided to demolish the building and to increase the new construction, whilst obviously reducing the renovated space. These changes will increase the cost of the project from \$19.98 to \$22.56 million. The revised price includes the cost of construction plus an escalation allowance through to the estimated tender date of May 2002.

ACTION SOUGHT:

- Subject to the finalization and approval by the Business Board of the lease agreement between Centennial College and the Governing Council of the University of Toronto, that the Vice President, Business Affairs be authorized:
 - i. to execute the revised UTSC Academic Resource Centre at a cost not to exceed \$22.56 million;
 - ii. to arrange such bridge and term financing, as required, either internally or externally.

FINANCIAL IMPLICATIONS

Cost Estimate

The project is estimated to cost \$22.56 million.

Funding Sources

i.	Centennial College Lease Agreement (SuperBuild Funds)	\$10.30
ii.	Allocation from Phase I enrolment expansion at UTSC	11.99
iii.	Institutional Contribution by UTSC	<u>1.20</u>
	Sub-Total	\$23.49
iv.	Encumbrance: Due Diligence Costs	(0.080)
v.	Encumbrance: ATOP	(0.100)
vi.	Encumbrance: Soil Remediation	(0.500)
vii.	Encumbrance: Traffic Improvements	<u>(0.250)</u>
	Sub-Total	(\$0.930)
	Funds available to support ARC Project	\$22.56 million