

FOR APPROVAL

PUBLIC

OPEN SESSION

TO: Governing Council

SPONSOR: Professor Scott Mabury, Vice President, University Operations

CONTACT INFO: 416-978-2031, scott.mabury@utoronto.ca

PRESENTER: See above.

CONTACT INFO:

DATE: February 14, 2014 for April 8, 2014

AGENDA ITEM: 4 (a.)

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 re-submission to the appropriate approval level is required where significant changes to a space program have been introduced.”*

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

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. 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 Source of Funds

1. Planning and Budget [for recommendation] (February 26, 2014)
2. Academic Board [for recommendation] (March 20, 2014)
3. Executive Committee [for endorsement and forwarding] (March 27, 2014)
4. **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. 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).

HIGHLIGHTS

Built in 2005, the UTL High-Density Library Storage Facility at the Downsview Campus has proven to be a successful means of addressing the University's increasing collection storage requirements. Low-use materials from all U of T libraries are transferred weekly, and access to the entire collections is provided by an online request service supported by a daily courier.

It is considered an "exceptional facility" by the Ontario Council of Universities Libraries. The high-density storage system uses an industrial racking system with shelves that are deeper and wider than those in typical library units.

The original UTL Downsview project represented the first two-bay module of an expandable model and currently accommodates up to 2,200,000 volumes. While the temperature and humidity controlled building is considered a model facility amongst peer institutions, it has nearly reached its storage capacity. To address future storage needs, a Project Planning Committee Report was prepared with a project scope proposing an expansion of two additional storage bays.

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

In November 2013 the University of Toronto was awarded funding from the Ministry of Training, Colleges and Universities' Productivity and Innovation Fund to support further expansion of this project to include a third bay of a Shared High Density Library Storage Facility partnering with four other Ontario Universities (Queen's, McMaster, Western and Ottawa). The funding was requested to support the purchase of racking systems and mechanized vehicles to store, sort and retrieve the housed print materials.

With the award of funding from the Ministry of Training, Colleges and Universities' Productivity and Innovation Fund, the opportunity was presented to upgrade the project from a two bay to a three bay expansion that will not only address the University of Toronto's library storage needs but create operational efficiencies by partnering with four other Ontario universities (Queen's, McMaster, Western and Ottawa).

Increasingly, universities are looking to relocate low-usage materials to facilities off-site as a means of preserving important scholarly works and as a way of housing important but lesser-used print materials in a more cost-effective manner. At the same time, universities are seeking efficient ways to meet growing demands from students for more study and collaborative learning space in libraries and to improve student access to high-use materials. The expanded Shared High Density Library Storage Facility provides an opportunity to address all of these objectives.

Participating universities will have access to the collections through an online request service. Requests for both circulated and archival collections will be delivered through the existing Ontario university courier system for inter-library loans. Desk-top deliveries of scanned journal articles will also be possible through the proposed shared facility.

The project includes a target to accommodate 3 million volumes in 8 years (2 million in five years) assuming five universities and projected uptake of storage space. The proposed shared facility also has the capacity and potential to be a library storage facility of low-use materials for all universities in the Province and it is expected that additional partners will be added in the years to come. It will meet the library storage needs of the University of Toronto, as well as those of the other participating universities, for eight or more years to come. Finally, this project compliments the proposed Ontario Digital Library Cloud Storage Project focused on addressing digital collection needs in the Province.

As in the existing facility, a high-density rack storage and mechanized retrieval system has been chosen as the most cost-effective approach. The productivity improvements and cost-savings/cost-avoidance are significant. These include:

- Reduced storage costs accruing from an off-site, high-density environment
- Improvements in access to high-use materials
- Freed-up library space re-purposed for study and collaboration
- Secure and shared `last copy of record` for important but lesser-used scholarly works

The new three bay expansion constitutes an addition of approximately 2,675 gross square metres (gsm) with an oversized door opening capable of forklift passage between the existing storage area and the expansion. The three bays represent approximately 2,270 net assignable square meters (nasm) of high-density storage. Given the additional processing demands associated with the expanded facility, a new

processing storage area of approximately 165 nasm is included for a total of 2,435 nasm in the upgraded project scope.

Existing mechanical services will remain in use for the original two bay section of the building while a new dedicated mechanical space has been included to service the additional three bays of storage.

While the addition should have minimal disruptive impact on the existing operations at the UTL Downsview facility, there are some minor renovations (< 300 gsm) to existing facilities associated with the project.

Occupancy is projected for March, 2015.

FINANCIAL IMPLICATIONS

A shared library storage facility is an efficient alternative to dedicated storage facilities at each Ontario university. The cost-avoidance associated with this project is significant: 3 bays of 3 million books requires ~1800 nasm of space in the repository but experience indicates 7.2 times more space is required in a campus library building to house the same number of volumes. This would translate into 12,000 nasm of space at \$10,000/nasm (construction estimate) or ~\$120 million. This estimate suggests the overall ROI of this proposal is approximately a factor of 10x and about 40x for the MTCU investment.

A projected cost-avoidance of space operating costs was modeled. The typical operating cost of library space is \$200/nasm annually. At full fit-out of the repository the 12,000 nasm saved would represent \$2.4 million in annual operating costs minus the cost of operating the repository itself (\$200 x 1800 = \$360k). This calculation assumes only 1 participating university with the same corresponding savings noted above for the five participating universities.

The calculations related to cost-avoidance from individual university facilities are for illustrative purposes only. The most likely outcome of not proceeding with a shared facility is that given budgetary challenges, 'student study space' at participating universities would be squeezed and overall library utilization would drop. Some universities would seek off-campus commercial storage options, with attendant savings, but that would fail to capture the inherent efficiency of multiple universities coming together to 'jointly' own the last book of record.

The overall cost of the project, as well as the delineation of amounts (including operating costs) derived from the various sources of funds, will be considered in the *in camera* session of the meeting (a separate cover sheet has been provided to members).

RECOMMENDATIONS:

Be it Resolved,

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 to be funded by the following sources:

- UofT Operating Budget
- University of Toronto Libraries
- Productivity and Innovation Fund, MTCU
- Graduate Expansion Funds University Wide

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