

BUILDING & PROPERTIES COMMITTEE

WEDNESDAY, 11 October 2023

1:00 p.m.-3:00 p.m. EST

Via Zoom Videoconference

Open Session

1:00 p.m.	1. Declaration of Conflicts of Interest	Oral	Declaration
1:05 p.m.	2. Minutes of the 17 May 2023 Meeting and Business Arising* [Chair]	3	Decision
1:10 p.m.	3. Execution Against Work Plan* [Figueiredo]	5	Information
1:20 p.m.	4. Committee Orientation [Figueiredo]	Oral	Information
1:30 p.m.	5. President's Advisory Committee on Design (PACOD) Update* [Reitsma]	7	Information
1:40 p.m.	6. Deferred Maintenance Update* [Elias]	8	Information
1:45 p.m.	7. Other Business	Oral	Information
1:50 p.m.	8. Proceed to Confidential Session		

If you require assistance or need to convey regrets, please contact the Secretariat at board@uwaterloo.ca.

*to be distributed

Melanie Figueiredo
Governance Officer

Upcoming Board and Committee Meetings and Events
17 January 2024 **Building & Properties Committee**
6 March 2024 **Building & Properties Committee**

University of Waterloo
Board of Governors
BUILDING & PROPERTIES COMMITTEE
Minutes of the 17 May 2023 Meeting
[in agenda order]

Attendees: Linda Blair, Carol Cressman, Murray Gamble (chair), Stephanie Willey-Thomas (secretary)

Administration: Christiana Alkiviades, Stepanka Elias, Rob Hunsperger, Jacinda Reitsma, Mat Thijssen

Guests: Mike Pereira (items 14-15), Alice Raynard (item 8)

Regrets: Michael Eubanks, John Saabas

Organization of Meeting: Murray Gamble took the chair and Sarah Willey-Thomas acted as secretary.

OPEN SESSION

1. DECLARATION OF CONFLICTS OF INTEREST

No conflicts of interest were declared.

2. MINUTES OF THE 8 MARCH 2023 MEETING AND BUSINESS ARISING

The minutes were reviewed by members present and would be ratified by electronic vote following the meeting. Cressman and Blair.

The Committee noted that action items from the previous meeting were included on this agenda.

3. WORK PLAN UPDATE

Sarah Willey-Thomas noted that a refreshed work plan would be brought forward to the Committee at its next meeting.

4. CAPITAL FINANCING COMMITMENTS AND CONSTRUCTION STATUS

a. Capital Financing Commitments Report

Jacinda Reitsma presented the Capital Financing Committee report, noting no significant changes. The Committee discussed the University's approach to debt financing.

b. Construction Status Report May 2023

Rob Hunsperger presented the Construction Status Report, providing an overview of the Earth Sciences and Chemistry building; Innovation Arena, Math 4 and Waterloo Eye Institute projects. The Committee discussed existing guidelines for the approval of projects.

i. Math 4 Building – Award of Construction Manager Contract

Rob Hunsperger presented the update to the Math 4 building, noting the bid process; phasing and logistic considerations related to the project given its proximity to other spaces on campus; work of the consultant; and transition to a stipulated price contract in future. The Committee discussed clarification of the motion to note that the \$1.9M includes the fixed fee and 2.35% construction management fee based on the original cost of the project; cost containment measures relating to the fee charged by the construction manager; and additional details to include in the report to the Board.

c. Other Approvals

i. Chiller in Biology 1

Stepanka Elias presented the proposal relating to the chiller in Biology 1, noting the long-term nature of the larger project and time sensitive nature of the project.

ii. Easement for Enova Power

Elias presented the proposed easement for Enova Power noting the location of the easement, relatively small impact and future use considerations. The Committee discussed how easements are required to go to the Board for approval in accordance with the University of Waterloo Act.

iii. HVAC and Related Roofs in Physical Activities Complex

Elias presented the proposal relating to the HVAC system and roof in the Physical Activities Complex, noting HVAC units have reached end of service life and related repairs to the roof needed to proceed.

5. DISTRICT ENERGY STUDY

Mat Thijssen presented the District Energy Study, noting:

- Work with Dougherty Engineering on the future of the District Energy System (DES) on campus in the larger context of climate action and energy sustainability.
- Status of DES reaching end of useful life.
- Overview of the three possible approaches, including benefits and drawbacks of each.
- Impact relating to the individual buildings as well as the larger system.

The Committee discussed grants available to assist with any changes and opportunities to build in resilience relating to electricity demand.

6. DEFERRED MAINTENANCE UPDATE

Reitsma and Elias presented the deferred maintenance update, noting this update to be a standing item on future agendas; initial one-year plan and considerations relating to multi-year projects; budget commitments and addition of staff resources to manage the projects. The Committee discussed the most pressing items, including those listed in blue text and also the impact of not appropriately managing deferred maintenance in a timely fashion. A five-year plan to highlight funding requirements and priorities will be shared at a future committee meeting.

7. PRESIDENT'S ADVISORY COMMITTEE ON DESIGN (PACOD)

Reitsma provided an update on the activities of PACOD, highlighting items coming forward at recent meetings; student representation from Architecture and Planning; and ongoing reports coming forward. The Committee discussed the importance of regular updates from PACOD.

8. STATUTORY COMPLIANCE UPDATE

Reitsma and Alice Raynard presented a statutory compliance update, noting changes around the risk management function; update provided for information and process around various signoffs; and updates relating to required training and signoff from Residence relating to Fire protection and prevention action plans.

Linda Blair left the meeting.

9. BUILDING & PROPERTIES COMMITTEE PRIORITIES FOR 2023-2024

The Committee discussed priorities for the coming year, including connection to PACOD, deferred maintenance, sustainability efforts and Campus Master Plan, subject to timing.

10. OTHER BUSINESS

There was no other business.

11. PROCEED TO CONFIDENTIAL SESSION

Reitsma presented an update to the Committee regarding preliminary exploration of a student residence in Stratford and next steps to determine size, cost and scope of project.

The Committee is scheduled to meet on Wednesday 11 October 2023, 1:00-3:00 p.m. via Zoom.

23 May 2023

Sarah Willey-Thomas
Associate University Secretary

2023-24 Building & Properties Committee Work Plan

Building & Properties Committee Agenda Items · expected *as needed/available	17 May 2023	11 October 2023	17 January 2024	20 March 2024
OPEN SESSION				
Minutes of the Previous Meeting	▪	▪	▪	▪
Committee Work Plan	▪	▪	▪	▪
President’s Advisory Committee on Design (PACOD) Update	▪	▪	▪	▪
Capital Financing Commitments	▪	▪	▪	▪
Construction Status Updates	▪	▪	▪	▪
Campus Master Plan	*	*	*	*
Award of tenders, appointment of architects/consultants, requests for easements	*	*	*	*
Deferred Maintenance Update	▪	▪	▪	▪
Statutory Compliance Update	▪			
Tour of Campus	▪			
District Energy Study	▪			
Committee Review Terms of Reference		▪		
University of Waterloo Real Estate Holdings			▪	
Committee Self Assessment				▪
Annual Objectives/Topics				▪
CONFIDENTIAL SESSION				
Minutes of the Previous Meeting	▪	▪	▪	▪
Other Business	*	*	*	*
IN CAMERA SESSION				
Minutes of the Previous Meeting and Business Arising	▪	▪	▪	▪
Other Business	*	*	*	*

¹ Annual, as required

² Note Committee approved threshold

³ Completed every five years

Special Topics for 2023-2024 to be Scheduled:

- Items relating to the construction of the new residence building will come to the committee as needed

For more information:

uwaterloo.ca/secretariat

board@uwaterloo.ca

NH 3060

¹ Annual, as required

² Note Committee approved threshold

³ Completed every five years

University of Waterloo
Board of Governors
BUILDING & PROPERTIES COMMITTEE
11 October 2023

FOR INFORMATION

President's Advisory Committee on Design (PACOD)

Since the last Building and Properties Committee meeting, PACOD members have met three times. A major focus of the meetings is preparing for the revitalization of a Campus Master Plan.

PACOD meeting May 2023:

The monthly major design and construction report was reviewed for information. Jean Becker, AVP, Indigenous Relations provided an overview of the Indigenous Wayfinding project which aims to identify and implement ways of Indigenizing wayfinding on University of Waterloo campuses. The committee was updated on several small project requests across campus and determined that items like these will not need to come to PACOD for approval and future project decisions need to be made on a set of standard criteria. An update was provided on the preliminary consultation stages of a potential student residence building in Stratford. Members were guided through the RFP process for major construction and design projects and discussed ideas for how it could possibly be changed in the future.

PACOD meeting June 2023:

The monthly major design and construction report was reviewed for information. The committee heard a presentation from Diamond Schmitt Architects regarding the new residence building and the various consultations that took place. The residence design was reviewed and supported by the committee. Members were provided with an update on building maintenance projects. Members discussed a process for revitalizing the current Campus Master Plan and how best to move forward. It was decided that a set of defining principles would be drafted, that the process for updating the plan is vital and to recognize important elements that should be considered such as a review of current space use on campus and creating a process for potential decommissioning of buildings.

PACOD meeting September 2023:

The monthly major design and construction report was reviewed for information. The committee reviewed a draft criteria list that will help inform the process for updating the Campus Master Plan. It was decided that a sub-committee will be formed to include some members of PACOD and other representatives across campus to assist with the Campus Master Plan. Terms of Reference for the sub-committee will be drafted for the October meeting. The committee also reviewed the current Campus Master Plan to and discussed the positive elements of it and highlighted what has worked well. A class project in the School of Planning is focusing on the process for updating the plan. Members were also updated on the state of campus buildings including their condition, energy performance, significance and occupancy levels. More work will be completed to drive a process for decision making regarding the future of some buildings.

Jacinda Reitsma
Vice-President, Administration and Finance
Chair, President's Advisory Committee on Design

Building & Properties Committee
11 October 2023

Deferred Maintenance Update

September 2023 Update

Infrastructure renewal projects have historically been funded primarily by the Facilities Renewal Program (FRP) grants from the Provincial Government. The grant value ranged from \$2M to \$6M per year and has been insufficient to address campus renewal needs. The FRP grant for 2023/2024 is confirmed for \$6M.

The provincial government tracks the Universities' Deferred Maintenance (DM), Capital Replacement Values (CRV) and Campus Build Areas using a centralized data management and facilities condition assessment system. This system changed in September 2022, and the provider is the process of updating data as well as methodology. It is expected that it will take the full reporting cycle (5 years) to truly align data amongst the institutions. Utilizing the latest (unofficial) data, UW owns approximately 8% of the built area of the university system, but accounts for nearly 11% of Deferred Maintenance. It is critical that the funding allocated to infrastructure capital renewal is increased to support reliable operation of our campuses and provides strong stewardship to our infrastructure.

5-year Plan Update

In May 2023, the B&P committee received an update on projects proposed for the 2023/2024 year. The investment of more than \$21M included projects funded through the FRP grant, deferred maintenance projects, and sustainability projects.

A five-year plan framework is currently under development. Significant investment from the University will be required annually to address campus infrastructure needs in terms of Deferred Maintenance and sustainability goals. This plan will be coordinated with the updated budget process to ensure that funds are available for priority items on an ongoing basis.

A prioritization framework based on risk of failure (R), impact of failure (I), building value (V) and alternative (A) was proposed and discussed with Faculty Executive Officers representing our academic needs to capture both operating risks and academic priorities. This information will be used to ensure that deferred maintenance is prioritized efficiently.

At the most recent President's Advisory Committee on Design (PACOD), an approach for decommissioning and retiring buildings was presented for information. The Committee endorsed the approach and agreed that identification of such buildings would be an important step in the master plan process. Some deferred maintenance projects will be put on hold as decisions are made regarding certain buildings.

Approved Project Updates

Selected highlights:

- Deferred maintenance projects include \$17.8M of contractual commitments for the fiscal year 2023/2024 and \$11.5M in commitments for 2024/2025.
- Three large projects with significant commitments for 2024/25 were approved and construction contracts issued: Replace High Voltage distribution cables, Replace Primary Electrical Feed, and Replace Chiller Plant B1 ensuring that funding commitments can be met.
- HVAC Replacement PAC was delayed allowing UW to complete more detailed engineering modeling aligning with building operation while supporting sustainability goals.
- Two projects will be put on hold as additional work is completed to determine the long-term plans for the buildings: AHU replacement in EC1, and Columbia Greenhouse demolition and refurbishment.
- Sustainability projects are proceeding well with some projects in the design phase. The CBS Submetering and Steam Trap projects are progressing well, and investments will continue beyond 2023/2024.
- Cost increases continue to impact many of the projects. A contingency of \$3.5M is included to cover cost increases and new projects. Any unspent funds will be allocated to the 2024/2025 commitments.

Significant Projects	Total Project	2023/2024 Budget	2024/2025 Commitment	Status
Replace High Voltage Distribution Cables	\$5,600,000	\$3,300,000	\$1,400,000	On Track
Emergency Generator Replacement	\$2,900,000	\$2,300,000	\$600,000	On Track
Replace Primary Electrical Feed	\$5,100,000	\$600,000	\$3,500,000	On Track
CSB Submetering	\$6,000,000	\$1,000,000	\$0	On Track
HVAC Replacement PAC	\$6,300,000	\$600,000	\$0	Delayed
Replace Chiller Plant B1	\$6,700,000	\$1,300,000	\$5,400,000	On Track
AHU Replacement EC1	\$2,800,000	\$0	\$0	Deferred
Steam Traps	\$4,000,000	\$1,700,000	\$0	On Track
Roof Replacement ESC	\$1,300,000	\$700,000	\$600,000	On Track
Falling Brine Tanks	\$3,800,000	\$1,300,000	\$0	On Track
All Other Projects		\$5,000,000	\$0	
Cost escalation and new projects		\$3,500,000	\$0	
TOTAL		\$21,300,000	\$11,500,000	