

University of Waterloo
Board of Governors
BUILDING & PROPERTIES COMMITTEE
Notice of Meeting

Date: Wednesday 13 January 2021

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

Place: via MS Teams

*material attached

Action

OPEN SESSION

- | | |
|--|-------------|
| 1. Declaration of Conflicts of Interest | Declaration |
| 2. Minutes of the 30 September 2020 Meeting* [George] | Decision |
| 3. Business Arising from the Minutes | Information |
| 4. Capital Financing Commitments and Construction Status [Huber]
(a) Building & Properties Finance Summary – January 2021*
(b) Construction Status Report – January 2021*
(c) Capital Financing Commitments – April 30, 2020* | Information |
| 5. Renovations to Earth Sciences & Chemistry Building* [Rush, Huber, Lemieux] | Approval |
| 6. Amendment of Math 4 Project* [Rush, Huber, Giesbrecht] | Approval |
| 7. Real Estate Holdings List – December 1, 2019* [Huber] | Information |
| 8. Statutory Compliance Report* [Raynard] | Information |
| 9. Campus Master Plan* [Huber]
[full document available here] | Information |
| 10. Execution Against the Work Plan* [George] | Information |
| 11. Other Business | Information |
| 12. Proceed into Confidential Session | Information |

Next Meeting: Wednesday 10 March 2021, 1:00-3:00 p.m., via MS Teams

6 January 2021

Alice Raynard
Associate University Secretary

University of Waterloo
Board of Governors
BUILDING & PROPERTIES COMMITTEE
Minutes of the 30 September 2020 Meeting
[in agenda order]

Attendees: Peter Barr, Murray Gamble, Martha George (chair), Alice Raynard (secretary), Max Salman, James Schlegel, Abbie Simpson

Administration: Stepanka Elias, Feridun Hamdullahpur, Dennis Huber, Rob Hunsperger, James W. E. Rush

Regrets: Jennifer Kieffer (administration)

Organization of Meeting: Martha George took the chair and Alice Raynard acted as secretary. The chair welcomed members to the meeting. The agenda was approved by consensus as circulated. The secretary advised that quorum was present.

OPEN SESSION

1. DECLARATION OF CONFLICTS OF INTEREST

No conflicts of interest were declared.

2. MINUTES OF THE 15 JANUARY 2020 MEETING

A motion was heard to approve the minutes of the meeting as distributed. Barr and Salman. Carried.

3. BUSINESS ARISING FROM THE MINUTES

There was no business arising.

4. CAPITAL FINANCING COMMITMENTS AND CONSTRUCTION STATUS

a. Building & Properties Finance Summary – September 2020

b. Construction Status Report – September 2020

c. Capital Financing Commitments – 30 April 2020

Huber took items a-c together, indicating: the values represent April 30, 2020 commitments; Science Teaching Complex is fully paid for; Provost approved the continued payment towards Blackberry buildings; occupancy in Student Life Center dining area occurred in September and the third floor should be completed in October; on the capital report, all external debt has been diminished; all capital financing commitments are on track.

Hunsperger spoke to the Hagey Hall Generator project being under budget; Village 1 sanitary tunnel, Phase 1 of signage, and Biology 1 and 2 Marine Lab projects being close to completion.

Members discussed demand on steel and glass, relationship with subtrades and fortified supplemental legal clauses since start of pandemic.

5. TERMS OF REFERENCE

This item was received for information. The Committee's terms of reference have been updated by the Board of Governors on 4 February 2020.

6. EXECUTION AGAINST THE WORKPLAN

The committee received the work plan and the execution against the work plan documents for information. The committee requested that the item on the campus master plan be brought back at the next meeting and thereafter, on a yearly basis.

7. OTHER BUSINESS

There was no other business.

8. PROCEED INTO CONFIDENTIAL SESSION

The committee convened in confidential session.

The committee is scheduled to meet on Wednesday 13 January 2021, 1:00-3:00 p.m. via Teams.

17 October 2020

Alice Raynard
Associate University Secretary

Report to the Building & Properties Committee
Capital Financing Commitments
January 2021

The Building & Properties Committee (B&P) reviews the summary of Capital Financing Commitments at each meeting.

Highlights during 2020/21:

- \$10m in donations were received and applied against the Science Teaching Complex
- Scheduled principal and interest payments were made by applying approved student fees for the Health Services addition
- Additional lump sum repayments are planned for other projects for the second half of the fiscal year including a \$4m repayment for the East Campus (BlackBerry) real estate

Summary:

- The University remains well within its approved policy limits and below the 4.0% of annual gross revenue maximum for principal and interest payments
- The financing position for each project as of April 30, 2020 is attached

Dennis Huber

Construction Status Report

Jan-21

\$000s

Projects	Original Budget	Current Approved Budget	Procurement Method	Contractor	percent complete	Original Schedule	Estimated Completion	Risks/Status
<u>In-Progress</u>								
SLC/PAC Addition	34,000	41,000	lump sum	Bondfield	92%	2018/19	2020/21	<ul style="list-style-type: none"> - September occupancy achieved for the food court area - 3rd floor mostly complete (painting & flooring) - work continues to complete 2nd floor and then the 1st floor
	34,000	41,000						No liens against the project.

Projects	Original Budget	Current Approved Budget	Procurement Method	Contractor	percent complete	Original Schedule	Estimated Completion	Risks/Status
<u>In-Progress</u>								
Aquatic Animal Lab Upgrade (B1)	3,836	4,900	stipulated sum (CCDC2-2008)	RossClair	~98+%	2020	Jan 2021	<ul style="list-style-type: none"> Project substantially complete, occupancy delayed until 2021 Final deficiencies remediation and cleaning ongoing RossClair Contractors have not had consistent personnel on project and continue to cause delays beyond delays attributable to COVID-19. Reconciling cash allowances: credit amount of \$68,000, pending. Waiting on pricing for recently issued change directives. Total Project Costs to date incl. 3.41% HST: increased to \$4.96M up from \$4.93M at September Reporting
	3,836	4,900						

Projects	Original Budget	Current Approved Budget	Procurement Method	Contractor	percent complete	Original Schedule	Actual Completion	Risks/Status
<u>In-Progress</u>								
Student Village 1 Site Infrastructure	4,900	4,945	construction management (CCDC5)	CSL	100%	2020	Oct 2020	<ul style="list-style-type: none"> Work 100% complete with some miscellaneous deficiencies to be completed in the spring. Substantial Completion published. Final payment invoice pending. Total Project Spend, Construction: \$4,395,300 Total Project Spend, Consulting: \$367,000 Total Project Spend: \$4,762,300
	4,900	4,945						

University of Waterloo
Capital Financing Commitments
April 2020
(\$000s)

Capital Project		Externally Financed	Lease-Back Financing	Currently Internally Financed	Estimated Amortization Period	Total to be Paid (External, Lease- Back and Internal Financing)	Comments
Completed							
Residence - UWP and MKV				12,687	7 years		Recovery through student residence fees
Residence - Columbia Lake Village Townhouses			22,000		33 years		Minimum \$7.4 million lease commitments; recovery through student residence fees
Engineering 7				28,207			Pledges of approximately \$33 million against these Engineering buildings,
Other Engineering (including 5, 6, and DWE)				10,734			committed operating funding of \$2.29m, faculty operating funds
Health Services Addition/Renovations				3,069	5 years		Compulsory undergrad and grad student fees; donations
Blackberry Buildings (5)				6,899	3 years		Operating funds
Science Expansion Building				10,005			\$10 million in pledges (\$10m received in F2021)
Applied Health Sciences Addition				9,200			Faculty operating funds; donations
Student Residence - New UWP Building				26,243	< 15 years		Residence fees
North Campus Field House				16,803	10 years		16.5M from operating funds
Completed Total		-	22,000	123,847		145,847	
Funding Status							
		Planned Completion Date	Total Budget	Fundng On- hand	Committed Future Funding	Currently Unfunded	Total to be Paid (Future Funding + Currently Unfunded)
In-Progress							
Student Life Centre and PAC Addition		2020	41,000	2,070	38,930	-	\$24 million compulsory undergrad and grad student fees; \$17 million operating funds
						-	
In-Progress Total			41,000	2,070	38,930	-	38,930
						Total to be paid	184,777
Debt policy: Annual P&I < 4% of annual gross revenue (currently approximately \$46m)							
Required annual P&I payments to service this debt < 4% of annual gross revenue							

Report to the Building & Properties Committee
Renovations to the third floor, Earth Sciences & Chemistry Building

January 13, 2021

Recommendation:

That the Building & Properties Committee approve the \$17.5 million budget for renovations to the 3rd floor of the Earth Sciences & Chemistry Building (ESC).

Background:

Recently, multi-disciplinary engineering teams with expertise in rehabilitating wet science buildings reviewed the Earth Science & Chemistry Building, the Biology 1 (B1) building, the Biology 2 (B2) building, and the Chemistry 2 (C2) building. The studies focused on the renewal of the Faculty of Science buildings constructed during the 1960s and 1970s. These studies identified the renewal requirements to modernize the buildings while improving space utilization. Although the multi-building renewal is planned to occur over multiple years in multiple phases, the initial phase would include the renovation of 25,000 square feet of labs located on the third floor of ESC. The next phase would likely be the replacement of the fume hoods and supporting HVAC systems in C2.

The proposed \$17.5 million budget is based on the recent study (including net HST):

	Estimate
	<u>\$000s</u>
Construction	14,000
Contingency	1,000
Professional Fees (10%)	1,800
Disbursements	150
Building Automation	150
Network Connectivity	300
Permits	<u>100</u>
Total	17,500

The Faculty of Science has set aside \$8.75 million for this project which together with central funding of \$8.75 million funds the estimated cost of the project. External funding opportunities will also be pursued. This funding strategy only applies to this specific phase.

James Rush
Robert Lemieux
Dennis Huber

Report to the Building & Properties Committee

Proposed Math 4 Project

January 13, 2021

Recommendation:

That the Building & Properties Committee approve an amendment to their January 2019 approval in principle regarding the development of the Math 4 building. This amendment relates to relocating the building site to the Math & Computer/Davis Centre link area with a revised budget of \$90 million.

Background:

This new, state-of-the-art mathematics building will host research institutes in vital fields such as fintech, data science, and cryptography. Specifically, the building will accommodate Combinatorics and Optimization, Mathematics Business and Financial Technology as well as the Centre for Education in Mathematics and Computing which plays a key role in the Faculty's outreach program. It will enrich student experience by creating new social and collaboration spaces. It will feature classrooms and collision spaces to encourage interaction and collaboration among our faculty, students, staff, and external partners. It will accelerate leading-edge math and computer science research as well as foster a culture of innovation and collaboration. By creating a vibrant and singular environment, the new building will help Mathematics attract more of the world's top math and computer science talent.

Originally planned at the west end of "L" parking lot (north of Math 3 and east of B.C. Matthews Hall), the revised location is in the interstitial space between the Math & Computer building and the Davis Centre (site plan attached). Although this site was not contemplated in the Campus Master Plan, the proposed site continues to support the integrity of the existing outdoor quad. At approximately 142,000 gross square feet, the proposed building is planned to be 5 storeys plus a penthouse and will be designed to seamlessly connect the Math & Computer building with the Davis Centre.

The budget estimate has increased from \$50m to \$90 million (including net HST):

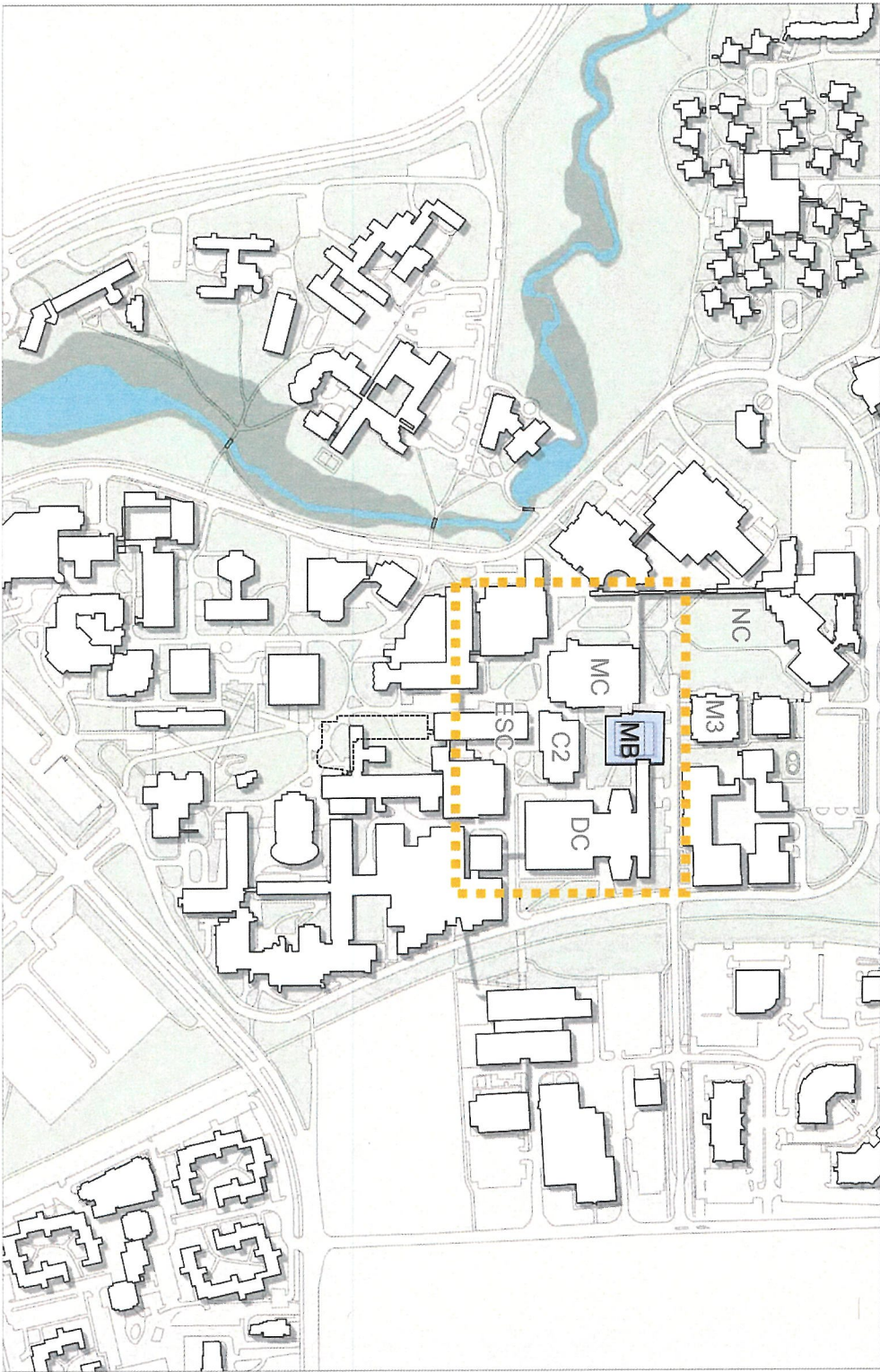
	<u>Estimate</u>	
Construction	\$70,000	
Contingency	7,000	
Professional Fees (8%)	6,000	
Disbursements	250	
Furniture/Furnishings	2,500	
Network Connectivity	400	
Audio Visual	850	
Permits & Development Charges	<u>3,000</u>	
Total	\$90,000	(\$634/sf)

The primary drivers for the cost increases include: (a) a larger floor plate associated with the revised program, (b) the partial demolition of the pedestrian link and office wing, (c) the accommodation of existing below grade infrastructure, and (d) significantly enhanced sustainability features.

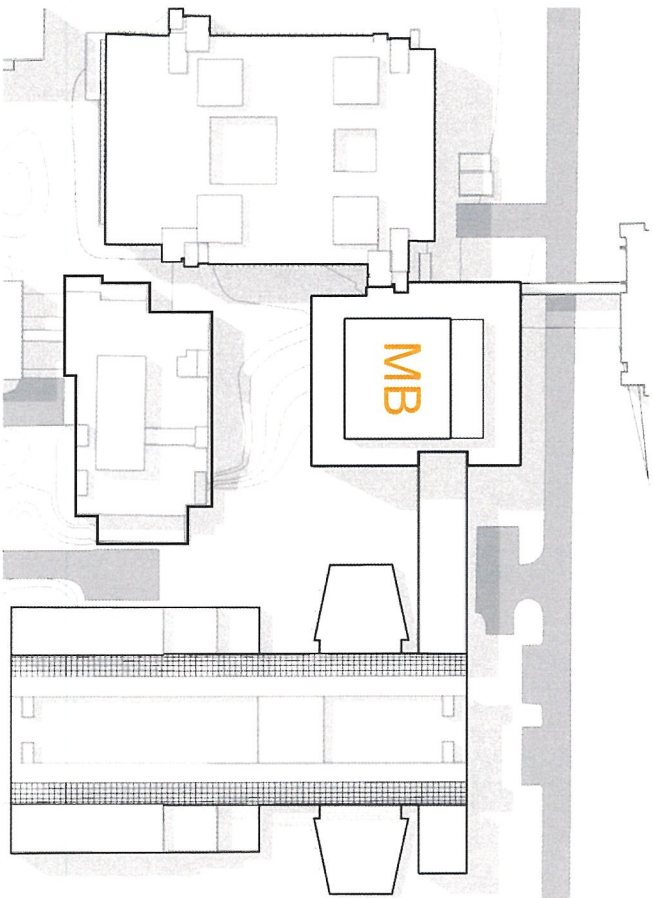
The Faculty of Mathematics has positioned this project as one of its key fund-raising priorities and has set aside \$30m in capital funding and committed a further \$10m which together with a central funding commitment of \$15m ensures that more than 50% of the funding will be in place prior to developing the tendering documents. The Faculty has committed to fully fund the balance of the project within 7-8 years.

James Rush
Mark Giesbrecht
Dennis Huber

option a - site plan



option a – phasing diagrams



PHASE 2 – New MB Construction

- build new MB building

University of Waterloo Real Estate Holdings
Sites Owned By UW - December 2020

Bldg #	Location	Land Area Acres	Building Area Square Feet	Acquisition Date	Description
Various	North and South Campus - Waterloo	976.3	8,434,357 (excludes Research and Technology Park buildings)	1950s to Present	Original campus of the University of Waterloo. Site of approximately 55 major buildings used for teaching, research, administration and student housing and recreation. The north campus is the site of UW's 200 acre environmental reserve and 120 acre Research and Technology park, designed to accommodate 1.2 million square feet of office space.
	Rockwood Gorge - Rockwood	18	0	1977	Ecological reserve. Scenic gorge bisected by the Eramosa river, located in the town of Rockwood. Features dolomitic limestone cliffs, caves, and potholes. This area is used for research by the Faculty of Environment.
	Spongey Lake - Baden	79	0	1989	Ecological reserve. Small lake, sphagnum bog and forest located near the town of Baden. This area is used for research by the Faculty of Environment.
	School of Architecture Parking Lot - Cambridge	0.503	0	2012	Small parking lot on River Street, across the street from the School of Architecture
47	School of Architecture - Cambridge	1	83,336	2004	Former Riverside Silk Mills (and later Tiger Brand) building (circa 1920) on Melville Street, on the banks of the Grand River. Occupied by the University of Waterloo School of Architecture.
49 and 52	Health Sciences Campus - Kitchener	4	192,812	2009	Former Epton Industries site at Victoria and King. The two buildings on the site are occupied by the School of Pharmacy and the McMaster University Michael G. DeGroote School of Medicine.
55	Digital Media Stratford	1.38	51,334	2012	Offers programs focused on digital media technologies and global business issues. Former CNR railway yard site located at 125 St. Patrick Street, Stratford.
128	Tri-University Library Facility - Guelph	1	18,190	1996	Library materials storage and distribution facility, located on Malcolm Road in the City of Guelph. Facility is a joint venture with Wilfrid Laurier University and the University of Guelph. Land and building areas shown represent Waterloo's 48% share of the total 2.1 acres of land and 38,500 square feet of building space.
129 and 131	Aberfoyle (Puslinch) Property - Aberfoyle	41	18,362	1997	Small research facility, leased to a biofilter manufacturer. The property also features storage barn, located on Wellington Rd. 34.
139	68 Victoria St. South - Kitchener	3	92,923	2005	Former Ontario Seed Company warehouse, located adjacent to the Health Sciences Campus site.
	Owned Sub-Total	1,125.2	8,891,314		

University of Waterloo Real Estate Holdings
Sites Leased By UW - December 2020

Bldg #	Location	Land Area Acres	Building Area Square Feet	Acquisition Date	Description
	Parking Lot "E" - Waterloo	1	0	1975	Leased land. Small parking lot on Seagram Drive, across the street from UW Place.
	School of Architecture Parking Lot - Cambridge	0.5	0	2004	Leased land. Small parking lot on River Street, across the street from the School of Architecture
95	Waterloo Tennis Courts - Waterloo	1	0	1975	Leased land. 6 all-weather tennis court surfaces located at the Waterloo Tennis Club beside Seagram Stadium in Waterloo. The courts are covered in the winter by an air supported structure owned by the Tennis Club. Use of the courts is shared with the Tennis Club.
135	Fire Research Facility - Waterloo	0	10,494	2003	Building is owned by UW, situated on leased land at the Waterloo Landfill site. Used by the Engineering Faculty for fire research and by Applied Health Sciences for fitness research.
136 and 137	Pavement and Transport Technology Facility - Waterloo	0	2,048	2004	Buildings are owned by UW, situated on leased land at the Waterloo Landfill site. The site is used for paving materials research. There is also a UW windmill research site located nearby.
140	School of Architecture - Rome, Italy	0	6,000	1979	Leased space. Design studios, library and office space, used for the School of Architecture's Rome program for 4th year students. Located in Piazza Santa Maria in Trastevere. The program has been running since 1979.
156	Balsillie School of International Affairs / CIGI	0	50,000	2011	Leased space in the Centre for International Governance Innovation used for the Balsillie School of International Affairs.
158	Velocity Garage Incubator	0	36,798	2012 & 2014	Name Change Mar 2016. Leased space located in the former Lang Tannery building on Victoria Street South in Kitchener. Velocity promotes entrepreneurship and commercialization of new products and technologies developed by students.
162	220 Yonge Street, Eaton's Ctr Toronto	0	4,415	2015	Leased space occupied by the Master of Taxation program. 5 year term until Jun 30, 2020. Renewed for a further 5 year term thru June 30, 2025.
167	Research Institute for Aging	0	8,853	2015	RIA/Schlegels building on the north campus. Lease started in September 2015, and was revised in 2020 to reflect changes to the space being used. Used by AHS for aging research. Lease will end 2111 if not terminated sooner..
169	EVolv1	0	7,879	2018	Sub lease 420 Wes Graham Way, Waterloo. 5 year lease term beginning Jan 1 2019.
170	Bradshaw Lofts	0	4,829	2019	Lease of space at 245 Downie St., Stratford, ON - more or less on the lower floor of building - for use as classroom, meetings, events. 3 years September 2019 - August 2022.
171	The Cora Building		6,119	2018	Sub lease of space at 375 Hagey Boulevard (Suite 302) for 67 months (Dec, 2018 through June 2024)
172	Critical Media Lab		500	2019	Lease of space at 151 Charles St. for 2 years beginning January 2019 for Critical Media Lab
	Leased Sub-Total	2.5	137,935		
	Total	1,127.7	9,029,249		

Changes since Dec. 2019:
Termination of 168 - WATCAR Garage lease
Amendments to 167 - Research Institute for Aging to reflect changes to lease
Amendments to 158 - Velocity to reflect changes to lease

University of Waterloo
Board of Governors
BUILDING & PROPERTIES COMMITTEE
13 January 2021

FOR INFORMATION

Statutory Compliance

Terms of reference provide for the Building & Properties Committee “To ensure that the university complies with all building codes, fire codes, safety regulations and statutory and regulatory provisions, as appropriate, in its building and properties program, and to review compliance annually.”

The following provincial statutes and municipal bylaws have been identified by the Secretariat as those which would pose the greatest potential risk for the university in the event of non-compliance.

- Assessment Act
- Building Code Act
- Commercial Tenancies Act
- Construction Act
- Environmental Protection Act
- Fire Protection and Prevention Act
- Green Energy Act
- Occupational Health and Safety Act
- Residential Tenancies Act

Bylaws in force in the various municipalities in which the university owns real property

Staff responsible for institutional compliance have reviewed these statutes, bylaws and regulations, and each has signed a declaration indicating that there are no issues of material non-compliance related to their areas of responsibility as at the date of their signature. Copies of the declarations of staff are kept in the Secretariat and are available for inspection upon request.

Exceptions

No exceptions were reported.

Alice Raynard
Associate University Secretary

University of Waterloo
Board of Governors
BUILDING & PROPERTIES COMMITTEE
Work Plan Execution

Task	Frequency	19/01/2018	09/03/2018	18/05/2018	12/10/2018	18/01/2019	08/03/2019	15/05/2019	02/10/2019	15/01/2020	<i>canceled</i> 03/04/2020	<i>canceled</i> 13/05/2020	30/09/2020	13/01/2021
Campus Master Plan (as needed)	annual			•						•				
Capital financing commitments and construction status	each meeting	•	•	•	•	•	•	•	•	•			•	•
Committee self-assessment survey results	annual		•		•		•		•				•	
Environmental sustainability practices	annual			•					•					
Maintenance program and energy conservation efforts	annual								•					
Orientation/tour of campus	as required			•				•						
Development projects five-year plan			•											
Committee terms of reference	annual	•				•			•				•	
Statutory compliance	annual	•				•				•				•
University of Waterloo real estate holdings	annual	•				•				•				•
Committee work plan/special topics; orientation/briefing requirements	annual	•				•				•			•	