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The following items arise from the Building and Property Committee meeting of September 11, 2018. They are presented to the Board of Governors for its consideration.

I. FOR THE INFORMATION OF THE BOARD OF GOVERNORS**1. Design Budgets for Upcoming Projects**

The Committee approved project-specific funding for five renovation and construction projects. Once fully developed, the projects will be presented for consideration to the Committee. The design budgets ranged from \$1 million to \$4.9 million, depending on the project. Projects include the renovation of the Lyman Duff Building, the construction of a Research and Innovation Pavilion (at Macdonald Campus), the deployment of heat energy loops portfolio, a portfolio upgrade of HVAC System, and the construction of a Book Storage Facility (at Macdonald Campus).

2. Update on Royal Victoria Hospital Redevelopment Project

The Committee received an update on the Royal Victoria Hospital Redevelopment Project. The Committee was informed that the *mémoire de décret* had been signed by the *Conseil des ministres* (cabinet of the Government of Quebec) to allocate \$37 million towards the *dossier d'affaires*. Members were informed that, in addition to the \$37 million, the provincial government would also allocate \$5 million for the development of the site to the *Société québécoise des infrastructures*. In light of Quebec general elections taking place on October 1, 2018, McGill representatives met with representatives from the major political parties to present and discuss the project. In light of Quebec general elections taking place on October 1, 2018, McGill representatives met with representatives from the major political parties to present and discuss the project.

3. Update on Inspection of Façades

[BP18-03]

The Committee received an update on the measures taken since the Government of Quebec announced changes to the Regulation to improve building safety in March 2013. This Regulation requires that buildings with five storeys or more be inspected by a qualified architect or engineer to detect any dangerous conditions. The Committee was informed that by the end of 2018, McGill should have complete or partial inspection reports on 82 per cent of its centrally-managed buildings with five storeys or more and 46 per cent of those buildings managed by Residences and that the remaining work will continue throughout 2019.

4. Report on Action Plan for Expiring Leases and on Options under Consideration [BP18-04]

The Committee received a report on the analysis of scenarios that intend to reduce the University's lease obligations over the next ten years through the consolidation and relocation of leases to a single rent and tax-free location. The Committee reviewed a plan for leases ending 2018-2021 and will continue its work on this file at a future meeting.

5. Update on the Stewart Biology West Wing Redevelopment Project [BP18-05]

The Committee received an update on the Stewart Biology West Wing Redevelopment Project. Lot 1 and 2 of the project had been approved by the Executive Committee of the Board of Governors in 2017 and 2018 respectively, at a total cost of \$23.9 million. The overall budget for the project, which was to be developed in three lots, was estimated to be \$95 million, with funding from the Strategic Investment Fund (\$33 million), proceeds from the bond (\$61 million) and the University's operating fund (\$828,000).

The Committee was informed that only two contractors had submitted bids for Lot 3 of the project, both of which were significantly higher than the anticipated costs. The Committee was briefed by management on three possible options concerning the future development of the project. Members concurred with management that option three, the splitting of Lot 3 into multiple lots, was the preferred path forward. This option would split the current work packages into multiple, smaller lots in an attempt to generate more interest from smaller contractors and sub-contractors, thus bringing costs down. This strategy would also defer approximately half of the work to a fourth tender by at least one year, which could also have a positive impact on costs should construction in Quebec be under less pressure. An update on this file is anticipated at a future meeting.

6. Introduction of Fiat Lux Library Project [BP18-06]

The Committee was briefed on the vision and development of the Fiat Lux Library project. The project is fractioned into two, standalone projects: the construction of an off-site book storage facility to be located at the Macdonald Campus and an expansion and renovation of the McLennan-Redpath Libraries complex. The Book Storage Facility project is not directly linked to the Fiat Lux Library project, and could move ahead independently of the larger project's advancement.

Although the University has decided to move forward with the Book Storage Facility project, with requests to approve the project anticipated for submission to the Building and Property Committee in the future, the larger Fiat Lux Library project is pending and continues to await the identification of potential private funding sources. Both projects share an estimated budget of \$140M. At the moment, the projected cost of the Fiat Lux Library project is \$115M, and that of the Book Storage Facility project \$25M. Should the

cost of the latter project increase, the available budget for the Fiat Lux Library project will decrease correspondingly, unless additional funding is secured to compensate for this reduction.

7. Reports

The Committee received the following updates and reports for information:

- Quarterly Report on Purchases, Leases, and Construction Projects between \$1 million and \$6 million
- Update on Wilson Hall
- Update on Government Funding
- Update on Update on McIntyre Fire Verbal Report
- Report on Major Construction Projects with Financial Summary
- 2018 – 2019 Building and Property Committee Orientation Package

END

October 2018