



Board of Governors
PROPERTY COMMITTEE
MINUTES

Wednesday, September 13, 2023

2:16 PM to 3:24 PM

VIDEOCONFERENCE

Approved: November 21, 2023

Chair Ms. Miranda Lam

Members in Mr. Kareem Hassib

Attendance Dr. Sandy Hilton

Dr. Anna Kindler

Mr. Azim Lalani

Regrets Interim President Deborah Buszard

Board Chair Nancy McKenzie

Ms. Anthonia Ogundele, Vice-Chair

Hon. Steven Point, Chancellor

Governors in Mr. Matthew Tan

Attendance

Board Secretary

Ms. Karen Hakkarainen

Designated Executive Liaisons

Ms. Robin Ciceri, Vice-President External Relations

Campus and Community Planning

Mr. Frank Laezza, Vice-President Finance & Operations

Facilities, Infrastructure Development, Energy and Water Services

Administration

Dr. Ainsley Carry, Vice-President Students

Dr. Gage Averill, Provost and Vice-President Academic, UBC Vancouver

Ms. Marcia Buchholz, Vice-President Human Resources

Dr. Lesley Cormack, Deputy Vice-Chancellor and Principal, UBC Okanagan

Mr. Hubert Lai, K.C., University Counsel

Ms. Heather McCaw, Vice-President Development & Alumni Engagement

Dr. Rehan Sadiq, Provost and Vice-President Academic, UBC Okanagan

Committee Chair Miranda Lam called the open session of the September 13, 2023 Property Committee meeting to order at 2:16 p.m., and respectfully acknowledged the ancestral and unceded territories of the Musqueam and of the Syilx Okanagan Nation upon which UBC campuses are located.

The Chair welcomed incoming member Governor Sandy Hilton and thanked outgoing member Dr. Marianne Legault for her service to the Committee.

The Board Secretary reviewed attendance and confirmed quorum.

1. Approval of Agenda

The Chair asked if Committee members would like to request any amendments to the Agenda. No requests were made.

The following resolution was moved, seconded, and **CARRIED**:

IT IS HEREBY RESOLVED that the Property Committee approves as circulated the Agenda for the September 13, 2023 open meeting of the Property Committee.

The Chair asked if Governors had any actual, potential or apparent conflicts of interest to declare with any items on the Agenda. No declarations were made.

2. Consent Agenda

The Chair asked if members had noted any errors or omissions in the June 15, 2023 open Minutes, circulated under the appended Consent Agenda. None were raised.

The following resolution was moved, seconded, and **CARRIED**:

IT IS HEREBY RESOLVED that the Property Committee approves the resolution forwarded under the open Consent Agenda, as presented in the Appendix.

The Chair asked if Governors had any actual, potential or apparent conflicts of interest to declare with any items on the open Agenda. No declarations were made.

The Chair noted that two briefings were circulated under the appended Consent Agenda for the Committee's information, the Skeena Residence Board 4 Post-Completion Report and the Capital Projects Update.

3. Child Care at Orchard Commons, UBC Vancouver – Board 1

Responsible Executives: Frank Laezza, Vice-President Finance & Operations
Ainsley Carry, Vice-President Students
Robin Ciceri, Vice-President External Relations

The Committee received an overview of the Board 1 approval request for child care at Orchard Commons at UBC Vancouver, as set out in the circulated briefing. The Committee was advised that while the proposed location replaces child care originally contemplated for inclusion in the Sauder School of Business Power House expansion project, preliminary planning revealed that constraints on the site meant that provincial requirements for outdoor place space could not be met in that location. The Committee was further advised that information has been provided to the Property & Planning Advisory Committee to address that Committee's concerns about traffic circulation and open space in the Orchard Commons location.

Issues of traffic congestion and pedestrian safety were also raised by the Committee, and the Administration advised that following Board 1 approval, a detailed design process will address these and other potential challenges; updates will be provided at the time of the Board 2 approval request.

The Committee discussed the ongoing high demand for child care and the urgency associated with this issue, and encouraged the Administration to consider all available options for increasing the availability of spaces on campus. The Administration advised that a comprehensive child care plan for the Vancouver campus is being developed, to be reviewed by the Executive prior to coming forward for the Committee's information at a future meeting.

The following resolution was moved, seconded, and **CARRIED**:

IT IS HEREBY RESOLVED that the Property Committee, under authority delegated by the Board of Governors, grants BOARD 1 approval for the Child Care at Orchard Commons project as follows:

- i.* **approval of project in principle;**
- ii.* **approval of preliminary program and schedule;**
- iii.* **approval of location;**
- iv.* **approval of preliminary capital budget of \$5,750,000 and operating costs as set out in the Appendices of the submission;**
- v.* **approval of the preliminary sources of funding and financing as set out in this submission;**
- vi.* **authorization to proceed to schematic design; and,**
- vii.* **approval of funding release of \$750,000 for the next stage of project development.**

4. UBC Sauder School of Business Power House Expansion Project, UBC Vancouver – Board 2

Responsible Executives: Frank Laezza, Vice-President Finance & Operations
Gage Averill, Provost and Vice-President Academic, UBC Vancouver

The Committee received an overview of the Board 2 approval request for the UBC Sauder School of Business Power House Expansion Project at UBC Vancouver, as set out in the circulated briefing.

The Committee was advised that the project's capital budget was increased following Board 1 approval, in response to escalating construction costs. The Administration relies on the projected rate of inflation to set a construction cost escalation contingency for each project at Board 1, with a \pm 30% variability in the estimate. The increase projected for the Power House expansion project is approximately 27%.

During discussion of the approval request, the Committee was assured that as the University's development manager, UBC Properties Trust seeks to identify any and all opportunities for cost savings as building projects are developed. The Committee was further advised that Sauder administration is confident that the School has the financial capacity required to meet both the debt obligations associated with the project and the increased operational costs associated with program expansion.

The presentation also addressed the Administration's decision not to incorporate the existing Power House Addition and the old Fire Hall within the project, a decision based on the magnitude of upgrades required address seismic risk and hazardous materials in the older structures. The Committee was advised that Campus + Community Planning is working with the community to review options for relocating the Fire Hall.

The following resolution was moved, seconded, and **CARRIED**:

IT IS HEREBY RESOLVED that the Property Committee recommends that the Board of Governors grant BOARD 2 approval for the UBC Sauder School of Business Power House Expansion project as follows:

- i. approval of the revised capital budget and operating budgets;*
- ii. authorization to issue the development permit;*
- iii. authorization to proceed to working drawings and tender; and,*
- iv. approval of funding release of \$5,500,000 for the next stage of development.*

5. Renewal of Anthropology and Sociology (ANSO) Complex, UBC Vancouver - Board 1 (Routine Capital)

Responsible Executives: Frank Laezza, Vice-President Finance & Operations
Gage Averill, Provost and Vice-President Academic, UBC Vancouver

The Committee received an overview of the Board 1 approval request for the routine capital renewal of the Anthropology and Sociology Complex at UBC Vancouver, as set out in the circulated briefing.

There was interest from the Committee with regard to the Administration's prioritization process for the routine capital program, which receives 75% of its funding from the Province. The Committee was advised that existing buildings with significant deferred maintenance issues and seismic upgrade requirements are the highest priorities; the exact timing of a potential building renewal is also dependent on the interest of Faculties and departments, and with consideration given to logical aspects, such as availability of swing space to accommodate temporarily displaced faculty, staff and students.

The following resolution was moved, seconded, and **CARRIED**:

IT IS HEREBY RESOLVED that the Property Committee recommends that the Board of Governors grant BOARD 1 approval for the renewal of the Anthropology and Sociology (ANSO) Complex at UBC Vancouver (Routine Capital) as follows:

- i. approval of project in principle;*
- ii. approval of preliminary program and schedule;*
- iii. approval of location;*
- iv. approval of preliminary capital budget of \$67,698,000 and operating costs as set out in the Appendices to the briefing;*
- v. approval of funding source – Routine Capital (75% Ministry of Post-Secondary Education and Future Skills and 25% UBC match);*
- vi. authorization to proceed to schematic design; and,*
- vii. approval of funding release of \$3,000,000 for the next stage of project development.*

6. Budget Revision - Gateway Health Building, UBC Vancouver

Responsible Executives: Frank Laezza, Vice-President Finance & Operations
Gage Averill, Provost and Vice-President Academic, UBC Vancouver

The Administration provided an overview of the circulated briefing, setting out the reasons for a \$5 million increase in the capital budget for the Gateway building. The Committee was advised that at Board 3, variability was 5%; the requested increase is within that variability, at 2.5% of the project's budget. The Committee was further advised that no relationship exists between the project's capital budget and the ongoing operational and maintenance costs for which building occupants are responsible.

The following resolution was moved, seconded, and **CARRIED**:

IT IS HEREBY RESOLVED that the Property Committee recommends that the Board of Governors approve an increase of \$5 million to the capital budget for the Gateway Health Building at UBC Vancouver to \$194,910,700, to be funded through the Retained Risk Fund (\$3 million) and the Academic Capital Fund (\$2 million).

ACTION ITEMS

1. The Administration will bring forward a comprehensive plan for expansion of child care on the Vancouver campus at a future meeting.

The open meeting adjourned at 3:24 p.m.

CONSENT AGENDA – FOR APPROVAL

The following items were approved under the appended Consent Agenda:

7. Minutes of Previous Meeting

IT IS HEREBY RESOLVED that the Property Committee approves as circulated Minutes of the June 15, 2023 open meeting of the Property Committee.

CONSENT AGENDA - For Information

The following items were received under the appended Consent Agenda:

8. Board 4 Post-Completion Report Skeena Residence, UBC Okanagan

9. Capital Projects Update