



Program: Facilities and Construction Management

Program Based Budget

2016 - 2018

Program: Facilities and Construction Management

Vision:

To develop and maintain town buildings which are safe, comfortable and welcoming to all.

Mission Statement:

To provide technical expertise and effective project management to facility user departments for facility design, construction, commissioning, capital replacements, repairs and maintenance of town buildings in an energy efficient, fully accessible, and sustainable manner.

Program Description

The Facilities and Construction Management (FCM) department is responsible for the design, construction, commissioning, capital replacements, maintenance, repair and demolition of all town buildings. The Town of Oakville has a large and growing facility portfolio. In the past five years, the town has built, acquired and demolished several properties, leaving our building stock portfolio at about 2.1M sq. ft. of building area.

In addition to growth and related facility expansion plans and renovations, the town is operating within a challenging and changing environment, as evidenced by aging facilities and infrastructure deficit, a growing focus on energy costs and energy management, growing client expectations and ongoing regulatory change (e.g. accessibility legislation). These are the factors that continue to challenge and drive the work of the Facilities and Construction Management department.

The department provides professional project management services related to buildings to all town departments. Using traditional as well as innovative, state of the art project management controls and techniques, our team of project managers, project leaders and technical experts ensures that town buildings are developed and maintained effectively and efficiently throughout their entire life cycle. We serve the town's facility user departments by providing support in developing their projects; managing the construction of new buildings and capital replacements; developing preventative maintenance programs; and, budget forecasting for new construction and capital replacements. In addition, FCM develops standards and guidelines for the construction and maintenance of all town owned buildings and manages facility operations at Town Hall, Oakville Public Libraries, Oakville Transit, Central Operations and North Depot Operations; including custodial services, preventative maintenance programs, maintenance contract management, minor repairs and security. FCM also coordinates town wide compliance with accessibility and environmental legislation, energy management and the management of designated substances in buildings.

Program Services

The Facilities and Construction Management department provides the following services:

- Administrative Services
- Capital Projects
- Facility Operations

Staffing Overview

Program: Facilities & Construction Mgmt	2014 Approved FTE	2015 Approved FTE	2016 Capital Impact	2016 Service Level Change	2016 Reallocation of Staff	2016 Total FTE	Net Change 2016 vs 2015
Administration	2.0	3.0				3.0	0.0
Capital Projects	8.0	8.0		1.0	1.0	10.0	2.0
Facility Operations	8.0	10.0			(1.0)	9.0	(1.0)
Total Facilities & Construction Mgmt	18.0	21.0	0.0	1.0	0.0	22.0	1.0

Overall, the staff complement for Facilities and Construction Management (FCM) has increased by 1.0 for a total of 22.0 FTE's. For 2016, the Facilities Management Coordinator position was reallocated from Facility Operations to Capital Projects. Also, one FTE has been included for a Project Manager position which will be 100% recovered from capital. The FCM team provides professional services for the planning, design and management of the construction of new facilities and major building renovations town wide. For the past several years, contract positions have been hired to implement various projects, it is evident that this type of support for capital initiatives is required over the long-term forecast

Program Services Budget Overview

Services/Activities:	2015 Restated		2016 Requested		Net Change 2016 vs 2015	Net Change 2016 vs 2015 (%)
	Gross Budget	Net Budget	Gross Budget	Net Budget		
Administration	367,200	367,200	367,100	367,100	(100)	(0.0%)
Capital Projects	1,016,200	337,200	1,230,000	435,600	98,400	29.2%
Facilities Operations	2,675,200	1,966,400	2,551,200	1,971,700	5,300	0.3%
Total	4,058,600	2,670,800	4,148,300	2,774,400	103,600	3.9%

In 2016, the Facilities and Construction Management program has increased by \$103,600, or 3.9%. In 2015, FCM became responsible for managing all Corporate Properties, including leased properties at Trafalgar Square. This was formerly managed by Realty Services under the Legal program. The 2015 budget for both programs have been restated to account for this transition, however, the number of leased properties has declined from previous years resulting in decreased revenues. Other operational drivers include increases in repairs & maintenance, janitorial and security services as well as inflationary increases for salaries and benefits, utilities and external contracted services. The \$98,400 increase in the Capital Projects section is primarily a result of the reallocation of the Facilities Management Coordinator that was formerly in Operations.

Key Performance Indicators

1. Percentage of gross operating budget

2011	2012	2013	2014	2015
1.5%	1.5%	1.6%	1.7%	1.8%
Why Important: Monitors the cost of the program as a proportion of the total cost for the town.				
How Calculated: Gross program operating costs (excluding transfers to reserves and internal charges) / Gross town operating costs (excluding transfers to reserves and internal charges)				

2. Percentage of total FTEs

2011	2012	2013	2014	2015
0.8%	1.0%	1.0%	1.2%	1.4%
Why Important: Assesses the capacity of the program by examining the proportion of staff FTE's against the total Town FTE's.				
How Calculated: Total program FTEs including part-time / Total town FTEs including part-time				

3. Operations: Orders to Comply for FCM Managed Facilities

2011	2012	2013	2014	2015
			1 Order received / 1 Order resolved within prescribed timeline	1 Order received / 1 Order resolved within prescribed timeline
Why Important: Measures our ability to achieve compliance within prescribed time frames. The measure also indicates whether or not our managed facilities are safe and compliant.				
How Calculated: Tracks total orders received vs. response time to bring into compliance. Authorities include, but not limited to, Electrical Safety Authority (ESA), Technical Standards and Safety Authority (TSSA), Ministry of Environment (MOE), Ministry of Health (MOH), Ministry of Labour (MOL)				

4. Operations: Total cost of operating per square foot of facility managed

2011	2012	2013	2014	2015
			\$4,301,668 / 882,586 s.f. = \$4.87 psf	\$4,560,902 / 902,442 s.f. = \$5.05 psf
Why Important: Determines the total cost of providing facility operations and can be compared both to other organizations as well as year over year. Includes utilities, maintenance costs and staffing.				
How Calculated: Total Operating Costs divided by gross square footage managed. Does not include capital repair and replacement costs.				

Key Objectives (Initiatives) for 2016 – 2018

- **Manage municipal facility development:** The ten year capital forecast will be presented to Council as part of the 2016 budget and will include new facilities, major renovations, demolitions, site remediation and capital replacements. In 2016 FCM will manage the design development of the Oakville Arena/Seniors Centre site; the demolition and site remediation of our two former school sites and the demolition of the former hospital site, among other projects. Most of these are multi-year projects and require qualified, in-house, professional project management staff for design development, construction tendering and project administration. External project management consulting firms have typically cost significantly more than in-house services. This initiative speaks to Council's strategic goal to be accountable in everything we do.
- **Manage Corporate Security:** Staff resources will continue to be allocated in 2016 to develop corporate security policies, procedures and an overall strategy. FCM will deliver a Safety and Security Awareness Handbook to Council and staff that will assist in promoting safety and security awareness in the workplace. This initiative speaks to Council's strategic goal to be the most livable town in Canada.
- **Buildings asset management program:** FCM will continue to utilize the buildings asset management case management system to manage our preventative maintenance programs, performance metrics, work order case management, etc. at Town Hall, Oakville Public Library buildings, Transit buildings, Central Operations, North Operations, all leased facilities, the Church Street parking garage and the South East Depot. This initiative speaks to Council's strategic goal to continuously improve our programs and services.
- **Aging facilities and infrastructure deficit:** The service impact is felt in all areas of capital replacements, repairs and maintenance, with the most significant impact in the area of civil and architectural projects. With the full implementation of the buildings asset management work order system, staff resources are required to manage work orders and service requests (both planned and unplanned maintenance and repairs), and to plan and coordinate the capital work for the town's portfolio of 100+ facilities. This initiative speaks to Council's strategic goals to continuously improve our programs and services and to be the most livable town in Canada.
- **Evolving expectations:** Growing client expectations for project management services and oversight of capital replacement projects and preventative maintenance programs. With the full implementation of the buildings asset management system, the Capital Projects and the Facilities Operations divisions are accountable for all state of good repairs projects (capital replacements), the development of standards and guidelines governing the construction and maintenance of town buildings and the asset management program as it relates to the management of town buildings. This initiative speaks to Council's strategic goals to continuously improve our programs and services and to be accountable in everything we do.
- **Ongoing regulatory change:** New standards, guidelines and regulations have been developed by the provincial government to support the accessibility legislation (AODA) which became law in 2005. In late 2014 Council adopted the Oakville Universal Design Standard, putting Oakville at the forefront of accessible design and construction in Ontario. FCM will continue to dedicate staff and financial resources over the next ten years to eliminate physical barriers in our existing facilities, and will conduct accessibility audits in all large Town facilities. This initiative speaks to Council's strategic goals to have accessible programs and services and to be the most livable town in Canada.
- **Growing focus on energy costs and management:** Staff and financial resources are required to effectively develop the town's energy management program. In 2016, FCM together with the Environmental Policy department, will review the highest energy usage facilities, provide guidance, report usage to stakeholders and utilize analysis to improve energy consumption and reduce costs. This initiative speaks to Council's strategic goals to be environmentally sustainable and to continuously improve our programs and services.

- Performance Measurements: In 2016 Facilities and Construction Management staff will continue to develop meaningful performance indicators that will help us to continuously improve our service. This initiative speaks to Council's strategic goal to continuously improve our programs and services.
- Environmental Sustainability: In 2016, Facilities Operations staff will continue to work with Environmental Policy staff to expand the award winning Town Hall recycling program to include all FCM managed facilities. This initiative speaks to Council's strategic goals to be environmentally sustainable and to continuously improve our programs and services.
- Centralized and standardized execution and monitoring of construction projects: Staff will continue to develop Project/Portfolio Management Office procedures, guidelines and templates to strive toward zero defects in our projects. This initiative speaks to Council's strategic goals to continuously improve our programs and services, to provide outstanding service to our residents and businesses, to be fiscally and environmentally sustainable and to be accountable in everything we do.

2016 Program Budget Drivers

	2015 Restated Budget	2016 Base Budget	2016 Capital Budget Impact	2016 Service Adjustments	2016 Requested Budget	\$ Change From 2015	% Change From 2015
Expenses:							
Personnel Services & Benefits	2,326,200	2,359,900	0	114,000	2,473,900	147,700	6.3%
Materials & Supplies	526,800	525,800	0	0	525,800	(1,000)	(0.2%)
Capital Out Of Operations	2,500	2,000	0	0	2,000	(500)	(20.0%)
Purchased Services	850,900	882,100	0	0	882,100	31,200	3.7%
Payments & Grants	90,000	68,500	0	0	68,500	(21,500)	(23.9%)
Internal Expenses & Transfers	262,200	196,000	0	0	196,000	(66,200)	(25.2%)
Total Expenses	4,058,600	4,034,300	0	114,000	4,148,300	89,700	2.2%
Revenues:							
External Revenues	558,800	429,500	0	0	429,500	(129,300)	(23.1%)
Internal Recovery & Fund Trsfs	829,000	830,400	0	114,000	944,400	115,400	13.9%
Total Revenues	1,387,800	1,259,900	0	114,000	1,373,900	(13,900)	(1.0%)
Tax Levy	2,670,800	2,774,400	0	0	2,774,400	103,600	3.9%

In 2016, the Facilities and Construction Management program increased by \$103,600 or 3.9%. The main drivers for this change are the following:

- Personnel Services and Benefits increased \$147,700 which includes compensation and inflationary increases. An FTE for a permanent Project Manager position to be fully recovered from capital has been included.
- Purchased Services increased by \$31,200 due to various increases in repairs & maintenance, janitorial and security services, which reflect current resource usage.
- Payments & Grants decreased by \$21,500 as property taxes for leased properties fell due to less leased properties than prior year.
- Internal Expenses & Transfers decreased by \$66,200 as the transfer to the Working Capital Reserve fell due to less leased properties than prior year.
- External Revenues decreased by \$129,300 as revenues from leased properties decline as a result of fewer leased properties than prior year.
- Internal Recovery & Fund Transfers increased by \$115,400 primarily due to the recovery of salary and benefits for the Project Manager position.

2017 - 2018 Operating Budget Forecast

	2016 Requested Budget	2017 Forecast Requested Budget	2016-2017 Change (%)	2018 Forecast Requested Budget	2017-2018 Change (%)
Gross Expenditures					
Facilities & Construction Management					
Administration	367,100	376,400	2.5%	386,600	2.7%
Capital Projects	1,230,000	1,257,600	2.2%	1,289,900	2.6%
Facilities Operations	2,551,200	2,584,000	1.3%	2,619,700	1.4%
Total Facilities & Construction Management	4,148,300	4,218,000	1.7%	4,296,200	1.9%
Total Gross Expenditures	4,148,300	4,218,000	1.7%	4,296,200	1.9%
Tax Levy					
Facilities & Construction Management					
Administration	367,100	376,400	2.5%	386,600	2.7%
Capital Projects	435,600	449,600	3.2%	468,000	4.1%
Facilities Operations	1,971,700	2,004,500	1.7%	2,040,200	1.8%
Total Facilities & Construction Management	2,774,400	2,830,500	2.0%	2,894,800	2.3%
Total Tax Levy	2,774,400	2,830,500	2.0%	2,894,800	2.3%
Gross Expenditures By Type					
Personnel Services & Benefits	2,473,900	2,533,800	2.4%	2,602,100	2.7%
Materials & Supplies	525,800	535,600	1.9%	545,500	1.8%
Purchased Services	882,100	882,100	0.0%	882,100	0.0%
Internal Charges	1,000	1,000	0.0%	1,000	0.0%
Other Expenditures	68,500	68,500	0.0%	68,500	0.0%
Minor Capital & Transfer To Reserves	197,000	197,000	0.0%	197,000	0.0%
Total Expenditures	4,148,300	4,218,000	1.7%	4,296,200	1.9%
Revenues By Type					
Activity Revenue	429,500	429,500	0.0%	429,500	0.0%
Internal Recoveries	794,400	808,000	1.7%	821,900	1.7%
Grants	0	0	0.0%	0	0.0%
Other Revenue	150,000	150,000	0.0%	150,000	0.0%
Total Revenues	1,373,900	1,387,500	1.0%	1,401,400	1.0%
Tax Levy	2,774,400	2,830,500	2.0%	2,894,800	2.3%

2017 - 2018 Budget Forecast Highlights

- Budget reflects inflationary increases only.

2016 - 2018 Recommended Capital Budget

Facilities and Construction Management 2016 capital projects will allow for the continued state of good repair of town facilities. Funds are budgeted for accessibility improvements to remove physical barriers at various facilities across the town and to ensure compliance with the Accessibility for Ontarians with Disabilities Act 2005 (AODA). Also in 2016, various energy management improvements will be done to town buildings; one of the actions by FCM that make up the town's Conservation and Demand Management plan.

2017 and 2018 operating impacts savings are as a result of energy management improvements that will create savings in utility costs.

Facilities and Construction Management	Classification	Capital Budget & Forecast			Operating Impact		
		2016	2017	2018	2016	2017	2018
42101514 HVAC - Various Locations	Infrastructure Renewal	1,020,100	319,800	68,000			
42101523 Digital Project Documentation	Infrastructure Renewal	53,000	53,000				
42101601 Various Facility Accommodation Needs	Infrastructure Renewal	263,000	488,300	263,000			
42101602 Leased Properties - Repairs and Replacements	Infrastructure Renewal	142,000	26,000	26,000			
42101603 Building Structural Inspections	Infrastructure Renewal	105,000					
42101604 Roof Replacement - Various Locations	Infrastructure Renewal	319,000	401,500	759,000			
42101605 Electrical Safety Authority Inspections	Infrastructure Renewal	23,000	23,000	23,000			
42101606 Architectural/Structural	Infrastructure Renewal	44,000	64,000	36,000			
42101607 Mechanical Commission	Infrastructure Renewal	68,000	68,000	68,000			
42101608 Roofs - Minor Repairs	Infrastructure Renewal	26,000	26,000	26,000			
42101609 Asbestos Monitoring and Remediation	Infrastructure Renewal	118,000	118,000	118,000			
42101610 Facilities Emergency Repairs	Infrastructure Renewal	105,000	105,000	105,000			
42101611 Facility Repairs	Infrastructure Renewal	365,600	134,000	68,000			
42101612 Sitework - Various Facilities (Drives)	Infrastructure Renewal	481,500	322,000				
42101613 Heritage Building Maintenance and Repair	Infrastructure Renewal	58,500	318,500				
42101614 Accessibility Improvements	Strategic Priorities	278,000	210,000	210,000			
42101615 Energy Management Large Buildings	Infrastructure Renewal	420,000	441,000	420,000		(57,800)	(55,000)
42101616 Properties under 12,000 SF Maintenance and Repair	Infrastructure Renewal	149,500	22,000				
42101617 Electrical - Various Locations	Infrastructure Renewal	142,500		11,000			
42101701 Town Hall Major Accommodation Needs	Infrastructure Renewal		189,000	682,500			
42101801 Town Hall - Repairs/Replacement (Mechanical)	Infrastructure Renewal			35,400			
42101802 Pine Glen Indoor Soccer Facility Repairs	Infrastructure Renewal			15,000			
Total Facilities and Construction Management		4,181,700	3,329,100	2,933,900		(57,800)	(55,000)

Capital Facility Initiatives in Other Programs:

The following are capital projects in other program areas that the Facility and Construction Management team would be involved in planning and overall management.

Facilities and Construction Management	Classification	Capital Budget & Forecast			Operating Impact		
		2016	2017	2018	2016	2017	2018
42101401 OTM Hospital Demolition		4,180,000	7,500,000				
42101519 Brantwood School Demolition and Sitework		525,000					
43301201 DC Growth - New Station # 8			2,000,000	4,453,000			1,619,800
43301701 Station # 4 Expansion			2,000,000				
43301602 Fire Station #3		3,585,000	3,685,000				
43301613 Fire Station #3 - Demolition		500,000	1,650,000				
46311301 Oakville Arena Rehabilitation and Seniors Centre		25,000	8,350,000	21,000,000			237,500
46601801 South Central Community Centre				250,000			
47101802 Oakville Centre Lobby Expansion				1,200,000			
Total Facilities and Construction Management		8,815,000	25,185,000	26,903,000			1,857,300