

Appendix 2 – Summary of Program Changes

Business Plan & Budget Book 2011-2014

Facilities & Property Management - Service Summary 2011-2014

Category	FTE	2011	2012	2013	2014	Total Operating	Total Capital
Efficiencies	0	(180)	(70)	(3)	0	(253)	0
Service Level Adjustments	0	(36)	(51)	0	0	(87)	0
Growth	3	105	132	91	42	370	2,240
New Service Levels	6	88	364	143	(49)	546	6,040
Total Service Budget Impact	9.0	(23)	375	231	(7)	576	8,280

Appendix 2 – Summary of Program Changes

Business Plan & Budget Book 2011-2014

Facilities & Property Management - Service Summary 2011-2014

BR#	Service	Initiative Description	Category	FTE	2011	2012	2013	2014	Total Operating	Capital 2011-2014
97	Facilities & Property Management	Improved Utility Procurement Strategy	Efficiencies	0.0	(180)	(70)	0	0	(250)	0
443	Facilities & Property Management	Implement Field Computing for Facilities Maintenance	Efficiencies	0.0	0	0	(3)	0	(3)	0
		Subtotal	Efficiencies	0.0	(180)	(70)	(3)	0	(253)	0
589	Facilities & Property Management	Lower winter heating Temp. by 1 deg.C and raise summer cooling to 25 deg.C to save energy	Service Level Adjustments	0.0	(36)	(51)	0	0	(87)	0
327	Facilities & Property Management	Support Growing Portfolio of Building Assets	Growth	1.0	43	41	0	0	84	40
338	Facilities & Property Management	Facility Asset Management Program	Growth	2.0	62	91	91	42	286	500
579	Facilities & Property Management	Food Service Improvements in the Civic Precinct	Growth	0.0	0	0	0	0	0	1,700
		Subtotal	Growth	3.0	105	132	91	42	370	2,240
90	Facilities & Property Management	Expand Energy Management Capabilities	New Service Levels	2.0	42	14	(7)	(49)	0	0
208	Facilities & Property Management	Purchase an Incident Database for Corporate Security Applications	New Service Levels	0.0	0	8	0	0	8	40

Appendix 2 – Summary of Program Changes

Business Plan & Budget Book 2011-2014

Facilities & Property Management - Service Summary 2011-2014

BR#	Service	Initiative Description	Category	FTE	2011	2012	2013	2014	Total Operating	Capital 2011-2014
622	Facilities & Property Management	Office Accommodation to Support Departmental Requests	New Service Levels	0.0	0	300	150	0	450	6,000
635	Facilities & Property Management	Project Management Support for Requested Capital Program	New Service Levels	4.0	46	42	0	0	88	0
		Subtotal	New Service Levels	6.0	88	364	143	(49)	546	6,040
Total Service Budget Impact				9.0	(23)	375	231	(7)	576	8,280

Appendix 2 – Summary of Program Changes

Business Plan & Budget Book 2011-2014

Facilities & Property Management - Service Summary 2011-2014

Category	FTE	2011	2012	2013	2014	Total Operating	Total Capital
Efficiencies RE4	0	(180)	(70)	(3)	0	(253)	0
Service Level Adjustments RE3	0	(36)	(51)	0	0	(87)	0
Growth RE5	3	105	132	91	42	370	2,240
New Service Levels RE1	6	88	364	143	(49)	546	6,040
Total Service Budget Impact	9.0	(23)	375	231	(7)	576	8,280

Business Plan and Budget

City of Mississauga

Budget Request # 90

Description of Proposed Initiative

Expand Energy Management Capabilities

Service Area

Business Services & Corporate Assets

Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	12,750	42	14	-7	-49
Net Cost					
Funded from	12,750	42	14	-7	-49
Tax Levy					
Net Impact on Tax Levy		0.01 %	0.00 %	0.00 %	-0.01 %
FTE	0	1	0	1	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	0	0	0	0

Details of Service Change

The City of Mississauga developed a comprehensive Energy Management Plan in 2001. The goal was to reduce energy costs by \$600,000 (five percent of the utility costs in 2002) and reduce Green House Gas (GHG) emissions by 4,000 tonnes per year. Total utility cost savings in the last seven years has actually added up to \$11.7 million and GHG reduction of 18,400 tonnes, far in excess of the goals.

Recent new developments related to the environment and climate change necessitate more aggressive Energy Management services. These new developments are:

- Green Pillar of the City's Strategic Plan provides the long term goal of a "zero carbon" City.
- The Province's new Green Energy Act requires every municipality to have energy conservation plans and provide annual progress reports.
- Incentives from higher levels of governments and utilities to harness solar energy and wind power have become more attractive.
- The City adopted new Green Building Standards for its facilities to demonstrate leadership in the community.
- The City is in the final stages of developing a "Green Development Strategy" to motivate Mississauga developers towards environmentally friendly options in the City's growth.

Since 2004, the two staff and one contract employee have focused on energy bill verification, effective commodity purchasing strategies, conservation advise and capital project implementation. Recently pressure to explore and pilot technologies has exploded while turnover in contract employees has adversely affected the units ability to respond. With one new position in each of 2011 and 2013 and the conversion of the existing contract position to full time in 2012 the following expansions to service levels will result:

- Provide leadership and implement Green Building standard and support Facilities Planning and Development in Leadership in Energy and Environmental Design (LEED) certification of selected new projects
- Meet new mandatory requirement as per Bill 21 for preparing Energy Management Plans and subsequent regular reporting of progress
- Support Finance in decentralizing utility budgets and expense reporting to better reflect operating costs of various city services
- Evaluate renewable energy projects like solar water heating, solar lighting, fuel cells etc., develop

business case, justify and implement projects

- Respond to requests from the Environmental Advisory Committee
- Evaluate smart metering and time of use rates for electricity accounts when introduced by the Province
- Implement new software for energy monitoring and demand management and issue monthly energy consumption reports instead of current quarterly reports for prompt attention to correcting deficiencies
- Issue reports on green-house gas emissions from energy use in buildings
- Support the Environmental Section in development of the Environmental Master Plan
- Support Planning and Building in development of the Green Development Strategy
- Investigate, justify and implement energy and water efficiency in parks including lighting and automatic irrigation systems
- Evaluate storm water and splash pad water collection systems for re-use in irrigation
- Conduct pilot project for solar lighting in parks
- Participate in the LEED Complete program for energy certification of existing City buildings
- Investigate and implement energy efficient pathway and parking lot lights
- Evaluate programs for carbon credits, develop and implement policy on acquiring, retiring or selling carbon credits
- Improve energy awareness through seminars and workshops. Select and train energy champions at each facility
- Review operation of energy consuming equipment and controls and improve energy awareness
- Investigate, acquire and implement automatic electrical demand reduction software for automatic load shedding during high price periods
- Develop demand reduction programs with City's emergency back-up generators
- Develop and Implement a plan for re-commissioning existing buildings
- Revisit District Energy Systems and co-generation
- Represent the City at energy forums promoting sustainability to enhance the City's image
- Distribute a monthly newsletter on energy and the environment with support from Communications group
- Organize an annual energy efficiency and environmental seminar and workshop along with Enersource to promote environmental awareness among city businesses and industry
- Evaluate the feasibility of an energy management program for business, industry and multi-residential facilities similar to Toronto's Better Building Partnership
- Establish benchmarking data of city buildings for comparison with other public buildings in Ontario

Service Impact

The potential for energy savings and GHG reduction with the implementation of these future initiatives will far outweigh the additional staffing costs as demonstrated in the last seven years. Utility operating costs are expected to reduce by two percent with enhanced Energy Management Services offsetting the tax based increases for labour. Adding the requested resources will enhance our ability to address regulated requirements without having to decrease service levels in areas which have yielded cost savings and new revenues. Without these resources the availability of staff to review and implement new initiatives will be curtailed and opportunities for grants will be lost. Overall reductions in energy consumption cost abatement will be diminished.

Comments

Business Plan and Budget

City of Mississauga

Budget Request # 97

Description of Proposed Initiative

Improved Utility Procurement Strategy

Service Area

Business Services & Corporate Assets Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	12,528	-180	-70	0	0
Net Cost					
Funded from	12,528	-180	-70	0	0
Tax Levy					
Net Impact on Tax Levy		-0.06 %	-0.02 %	0.00 %	0.00 %
FTE	0	0	0	0	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	0	0	0	0

Details of Service Change

The present procurement strategy for electricity requires buying a portion during on-peak hours through forward fixed price contracts to provide price stability and avoid wide cost fluctuations.

An analysis was performed to determine the additional cost that the City has incurred in fixed forward price contracts as compared to spot market prices since market deregulation in 2002. The City has paid an additional \$483,000 from 2002 to 2009 for price stability. The City saved money in 2002 and 2005 through fixed price forward contracts, however spent additional amounts from 2006 to 2009.

It is proposed that the City buy its electricity requirement on the spot market and not enter into forward fixed price contracts. The small accounts continue to provide benefit on the Regulated Price Plan.

Current market regulations will still require enrolment of non-interval accounts with a retailer who will charge a service fee for pass through invoicing at the spot market price. The requirement for enrolment with a retailer is expected to be dropped sometime in the future.

Prior to implementation, there will be a requirement to establish a price stabilization reserve and write a policy for its operation to address annual fluctuations.

Additionally, the City has been buying most of its natural gas requirement in the forward fixed price market since deregulation in 1991. Staff analysed records since November 2003 and compared the contracted price with the published spot market price at the Alberta hub (AECO). The results of analysis indicate that the City would have saved \$1.5 million since November 2003 had all the gas been purchased on the spot market. The forward contract price provided savings over the spot price in 2005 and 2008 but the City paid more money in all other years.

The proposed strategy is that the City buy all natural gas at the spot market price and not enter into forward fixed price contracts. Prior to implementation, there will be a requirement to establish a price stabilization reserve and write a policy for its operation to address annual fluctuations.

Service Impact

There will be fluctuations in utility costs from year to year depending on weather, economic cycles, world politics and conflict in the Middle East. It is proposed that these fluctuations be accommodated through a utility reserve fund.

Comments

The proposed utility procurement strategy with no forward purchases has the potential for saving \$930,500 thousand from 2011 through 2014. The savings are estimated to average about \$250,000 each year, with the 2011 amount adjusted for the currently existing fixed contract for 50 percent of the City's natural gas up until October 31, 2011. Two thirds of the savings are estimated to be coming from gas, and one third from electricity.

Business Plan and Budget

City of Mississauga

Budget Request # 208

Description of Proposed Initiative

Purchase an Incident Database for Corporate Security Applications

Service Area

Business Services & Corporate Assets

Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	0	0	8	0	0
Net Cost					
Funded from	0	0	8	0	0
Tax Levy					
Net Impact on Tax Levy		0.00 %	0.00 %	0.00 %	0.00 %
FTE	0	0	0	0	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	40	0	0	0

Details of Service Change

The current Security tracking and reporting software system is antiquated and was developed as an interim in-house solution that has surpassed its abilities and current business requirements. It is recommended that a new system be procured that would improve abilities to allow for tracking, monitoring, and incident trend analysis. This will enhance the ability to prepare specialized summary reports for Council and allow Security to identify where resources are most needed in order to deter re-occurring trends and minimize any potential increases in incidents.

Service Impact

Monthly reports can be created and distributed to identify trends, and track the performance of previously implemented strategies. This will create new value for the security service by utilizing currently gathered statistical information and converting the data into a strategic management tool whereby monthly goals can be established which highlight areas for improvement and clearly outline expectations.

Comments

Allows optimal use of existing resources and provides a consistent measurement tool in which to monitor it over time.

Business Plan and Budget

City of Mississauga

Budget Request # 327

Description of Proposed Initiative

Support Growing Portfolio of Building Assets

Service Area

Business Services & Corporate Assets

Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	1,287	43	41	0	0
Net Cost					
Funded from	1,287	43	41	0	0
Tax Levy					
Net Impact on Tax Levy		0.01 %	0.01 %	0.00 %	0.00 %
FTE	0	1	0	0	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	40	0	0	0

Details of Service Change

In-house HVAC (Heating, Ventilation, Air Conditioning) resources carry out preventative maintenance on equipment, respond to service requests on a priority basis and provide preliminary diagnosis of system problems. Where resources allow, demand maintenance is performed in-house, however this service delivery model is augmented by outsourced resources, overseen by Contract Coordinators. Due to response times dictated by our service levels and the complexities brought on by energy efficiency technologies, meeting the ongoing demands of our growing portfolio is more economically and effectively achieved by adding in-house resources as opposed to additional contracted outsourced trades.

Twenty six new facilities have been added since 2000 covering approximately 1.3 million additional square feet with no additional HVAC complement. The expanded Transit facility is now added into the portfolio, Fire Training Centre and BRT completion are expected within the business plan time frame.

Timely preventative maintenance/operational adjustments carried out in accordance with manufacturers' recommendations and best practices not only prolong the life of the equipment, but also protect the integrity of warranties. Maintenance is also essential in ensuring the proper function of equipment to support the uses of facilities for programs and services as well as maximizing the complete lifecycle of the assets.

Service Impact

In 2008 Transit Campus redevelopment increased the number of HVAC assets from 149 to 526. This equipment requires a higher knowledge due to its sophisticated arrangement and more detailed attention due to its electronic sensitivity with the building automation and inter-connection of other systems. In 2009 a ruling from TSSA (Technical Standards and Safety Authority) now requires that only licensed gas technicians can change belts on gas fired equipment. This has placed resource pressures on staff to remain compliant and properly administer the warranty of new equipment. Without the additional resources equipment life cycle will be reduced, higher reactive costs will be incurred and facility and operational impacts will affect all Departmental service deliveries.

Comments

One HVAC staff position was proposed in the 2009 business plan, however was deferred at that time. There has been a service level impact on section to maintain new transit facilities and meet warranty

Business Plan and Budget

City of Mississauga

Budget Request # 338

Description of Proposed Initiative

Facility Asset Management Program

Service Area

Business Services & Corporate Assets Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	0	62	91	91	42
Net Cost					
Funded from	0	62	91	91	42
Tax Levy					
Net Impact on Tax Levy		0.02 %	0.03 %	0.03 %	0.01 %
FTE	0	0	1	1	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	0	0	0	500

Details of Service Change

The City owns and operates a portfolio of buildings totalling approximately 4.8 million square feet. The 256 buildings have an asset inventory of approximately 13,000 various building systems. FPM is responsible for the capital planning and maintenance of these facilities. Prior to 2010 planning and budgeting for renewal of these assets was a completely manual process involving a reactive request based system of identifying, validating and prioritizing the capital maintenance budget on an annual basis. There was no proactive long range plan and forecast for the capital requirements needed to sustain this portfolio.

In 2009 a Facility Asset Management Program was initiated. A life cycle software system was installed and building condition audits were carried out and entered into the system for the entire portfolio. It is now possible to determine the capital renewal needs of the inventory using objective technical data and thereby establish an annual budget and long term forecast to achieve a target condition index. Sustaining the program over time requires additional staff resources. The conversion of a contract position which was used to develop the system into a full time equivalent position in 2011 will allow for the ongoing refinement of the processes used to establish priorities, validate capital maintenance programs and develop the annual capital budget for renewal. Further additions of staff in 2012 and 2013 will provide for the ongoing updating of condition assessments ensuring that current data is used in managing the program over time.

Service Impact

The value of the program lies in the fact that more effective capital maintenance of City facility infrastructure will result leading to more timely preventative spending which will reduce operating maintenance costs and emergency repairs affecting service delivery. The program will be an ongoing initiative requiring resources to maintain and update the condition information and life cycle software to manage the 70 per cent increase in assets that will be tracked relative to the previous manual system. Additional staff resources will provide the capacity to model various spending or condition target scenarios to achieve a balance between condition and cost. Better budgeting will be possible with long term forecasts based on the predictive powers of the software and better integration with capital budgeting decision making in client departments will lead to more efficient and less disruptive renewals.

Comments

The Facility Asset Management Program was initiated in 2009 as an approved capital project. The initial

project provides a baseline of condition data to allow FPM to realize their capital planning goals. However, in order to continue realizing the benefits of the program, ongoing resources are required to maintain, update and effectively utilize the valuable information collected. The initiative outlined in this budget request details the efforts required and resulting impact for ongoing maintenance of the Facility Asset Management Program.

Business Plan and Budget

City of Mississauga

Budget Request # 443

Description of Proposed Initiative

Implement Field Computing for Facilities Maintenance

Service Area

Business Services & Corporate Assets

Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	38	0	0	-3	0
Net Cost					
Funded from	38	0	0	-3	0
Tax Levy					
Net Impact on Tax Levy		0.00 %	0.00 %	0.00 %	0.00 %
FTE	0	0	0	0	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	0	0	0	0

Details of Service Change

Currently, Facilities Maintenance has a manual process for tracking labour, and closing work orders. There are over 16,000 preventative work orders issued annually along with 7,000 demand work orders to trades staff. A work order requires administration time to print, issue, fill out, and close. Trades staff are allocated 30 minutes of time each day to allow the manual completion of time sheets and paperwork. Trade staff do not have desks, phones or computers and have minimal access to walk up computers. When staff are issued their work in the morning it is difficult for the Lead Hands and Supervisor to track their location and schedule for the next day as they are not aware what was completed until day's end. With field computing implemented, work orders would be closed in real time allowing for higher efficiencies and immediate information availability.

Administration staff spend an average of 380 hours a year closing work orders and an additional 390 hours closing time sheets. Trades staff spend collectively 1900 hours performing daily paper work. These costs amount to over \$100,000 per year to perform.

Field Computing will allow staff to close the work orders electronically "on the fly" while performing the service, removing the requirement for daily time sheets and eliminating the 30 minutes required for completing paperwork daily. This will increase productivity and efficiencies allowing for 7 hours per day scheduling from 6.5 per day. Paper savings are estimated to be \$3,000 starting in 2013.

All information will be in real time allowing Lead Hands and Supervisor to more effectively schedule work for the next day. It will also provide real time updates on the Hansen system for client information.

Service Impact

Will increase effectiveness of Facilities Maintenance in achieving mandate as well as, decrease future resource pressures on trades and administration.

Comments

Currently Information Technology is installing the infrastructure, and Recreation and Parks are implementing this project for 2010.

Business Plan and Budget

City of Mississauga

Budget Request # 579

Description of Proposed Initiative

Food Service Improvements in the Civic Precinct

Service Area

Business Services & Corporate Assets Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	0	0	0	0	0
Net Cost					
Funded from	0	0	0	0	0
Tax Levy					
Net Impact on Tax Levy		0.00 %	0.00 %	0.00 %	0.00 %
FTE	0	0	0	0	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	1,200	500	0	0

Details of Service Change

Implement improved access to food services for the public at street level. Provide more variety, selection and improved quality at all points of service within the precinct. Increase activity over a greater period of time and a greater sense of community in the area.

The existing food service agreement with Tower Garden expires at the end of 2011. They have contractual rights to be the exclusive provider of food services within City Hall and the Central Library. They do not have exclusive rights outside of the precinct buildings.

The concept for the Civic Square improvements includes the provision of food services on the ground level in association with the public spaces being developed. Space accommodation plans for city staff have a variety of flexible staff spaces that include access to food in a number of possible locations. Catering to meetings and events within City Hall and the Central Library is an ongoing need. Selection and quality issues over the past term of the contract with Tower Garden have resulted in a desire to explore alternate means of meeting the wide range of food service needs of a diverse group of stakeholders. In response to this, and in preparation for the expiration of the current contract, a study was commissioned that looked at supply and demand factors in the context of the spaces that are or could be made available in City owned facilities with a view to implementing the recommendations through a request for proposal process beginning late in 2010. This would position the City to be prepared to transition to a new service delivery model through 2011 in time for a January 1, 2012 start-up.

The recommendations from the 2010 study are expected to have capital implications as it is anticipated that renovations to the 12th Floor of City Hall, the Conservatory and the Central Library pavilion and/or exterior spaces on the Civic Square may be required in support of the food service outlets that are decided upon. Included in this initiative is the requirement to provide acoustic panels to improve the performance of the Great Hall (\$200,000). The Civic Square will be commissioned mid-2011 however Tower Garden will continue to have contractual rights to the end of the year, an interim solution and phasing in of new initiatives will have to be considered in the overall plan.

Service Impact

Improved level of service for all major stakeholders including public visitors, local residents, City Hall staff and Councillors will result

Business Plan and Budget

City of Mississauga

Budget Request # 589

Description of Proposed Initiative

Lower winter heating Temp. by 1 deg.C and raise summer cooling to 25 deg.C to save energy

Service Area

Business Services & Corporate Assets

Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	11,568	-36	-51	0	0
Net Cost					
Funded from	11,568	-36	-51	0	0
Tax Levy					
Net Impact on Tax Levy		-0.01 %	-0.02 %	0.00 %	0.00 %
FTE	0	0	0	0	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	0	0	0	0

Details of Service Change

The City's current facility heating bill is estimated at \$1.5 million which is approximately half of the total annual natural gas costs. The remaining 50% is used to heat domestic hot water, ice resurfacing water, pool water and space heating and furnaces for glass blowing and incineration in Animal Control.

By lowering the current average space winter temperature of 21°C by one degree to an average 20°C will result in a saving of 4.8% amounting to \$72,000 a year.

Pool air space will need to remain at current temperature to reduce evaporation and high humidity.

During the cooling season it is proposed that the cooling set point be raised to an average of 25°C instead of the current average of 22°C in all facilities except gyms and aerobic spaces where the proposed temperature is 22°C (computer server rooms would remain unaffected). The Provincial Government has been requesting higher set points for air conditioning in summer to combat the shortage of power in Ontario. Additionally, Provincial Government offices have been cooled to 25°C during the past four years.

A pilot summer energy saving program was undertaken in 2004 after the black out in August 2003. Based on actual savings during the pilot program annual electricity saving are estimated at \$30,000.

The pilot program also required reduction of lighting in non-essential areas after normal work hours and with day-lighting controls which would provide savings beyond the estimated \$30,000 annually. Some of the automated day-lighting controls are still in operation.

The total energy savings with proposed changes is estimated at \$102,000 per year; labour cost of implementation is \$15,000 per year providing a net operating savings of \$87,000.

Exceptions may be required in the Seniors Centre and other sensitive areas.

Service Impact

In addition to estimated energy savings of \$102,000 per year the environment would benefit from green house gas reduction of 430 tonnes a year, equivalent to removing 180 cars from Mississauga roads.

Comments

Business Plan and Budget

City of Mississauga

Budget Request # 622

Description of Proposed Initiative

Office Accommodation to Support Departmental Requests

Service Area

Business Services & Corporate Assets

Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	0	0	300	150	0
Net Cost					
Funded from	0	0	300	150	0
Tax Levy					
Net Impact on Tax Levy		0.00 %	0.10 %	0.05 %	0.00 %
FTE	0	0	0	0	0
Capital					
Approved					
Forecast					
Net Incremental Capital	0	3,000	3,000	0	0

Details of Service Change

This budget request is a place holder for the costs associated with the additional new hires that are contained in the Service Area business plans across the departments. The space requirements related to the new hires will be finalized once Council has reviewed and endorsed the plans. The space requirements have been identified for the first two years of the four year business cycle .The remaining two years will be addressed as part of the subsequent refresh of the business plan.

An initial review of the budget requests for 2011/2012 indicated that 99 new hires were proposed. At that point in time, (June 2010) the number of staff that could not be accommodated through a full utilization of existing office space inventory was 58. For the purposes of this exercise we have carried this number to enable us to move forward.

Preliminary cost estimates are noted below:

In order to support some of the proposed new hires for 2011/2012 additional space will be required as the existing inventory of office space in the City's portfolio is insufficient to meet the space requirements.

The solution being proposed will allow for additional new leased space and for renovation and reconfiguration where necessary. Adjacencies and realignment of groups may not be obtainable to the full extent of current standards in all cases and will be addressed once the new hires have been approved.

The majority of the impact is assumed to be at Civic Centre, 201 City Centre and to a lesser extent at other City facilities (specifically Central Library and 950 Burnhamthorpe Road).

The incremental new space and renovation and/or reconfigurations that will be required will be reviewed once the new hires have been approved at which time there will be an opportunity to reassess the City's overall space needs to plan for an effective and efficient space strategy.

Phase A. Acquisition of New Space

1. Acquisition of new space:

14,000 sq.ft @\$25 sq.ft. - \$350,000 per year

This is the estimated annual operating cost for the leased spaces per year for budget purposes. It is assumed that leases will commence in 2011 but rent free periods will offset the cost until 2012.

Contingency \$100,000

Sub – Total A. (1) \$450,000

2 Total of a one time cost to renovate the leased spaces - \$1,540,000

(14,000 sq.ft @ \$110.00 per sq.ft.)

3. Furniture costs for new hires will remain at \$891,000

Sub – Total A (2 & 3) \$ 2,431,000

Phase B – Reconfiguration of Existing Office Space

Estimated costs to re – configure / re- align office spaces at 201 City Centre, Civic Centre, and Central Library & 950 Burnhamthorpe Road

1. Construction related activities (45,000 sq.ft @ \$50 sq.ft.) \$ 2,250,000

2. Supplementary Furniture (14,000 sq.ft + 45,000 sq.ft=59,000 sq.ft @ \$15 sq.ft.) \$885,000

3. Relocation Costs (59,000 sq.ft @ \$5 sq.ft.) \$295,000

4. Contingency \$139,000

Sub – Total B (1+2+3+4) \$ 3,569,000

Total Estimated Capital Budget (sub-total A2 & A3 & B): \$6,000,000

Service Impact

An important part of continuing to be an employer of choice involves providing staff with an office environment that is conducive in the performance of their duties in an effective and efficient manner. It is critical that we maintain the work that has been completed to date thru the implementation of the space accommodation project to ensure that the proper adjacencies are developed and maintained and where feasible, improved upon as we move forward with this initiative. Through the already accepted workplace practices and strategies sessions that are part of this process, we would continue to explore alternative work place opportunities

Comments

Space Planning will continue to refine the accommodation plan outlined in this brief summary as the business planning process evolves.

Please refer to budget request #635 submitted by FPM for further detail.

Business Plan and Budget

City of Mississauga

Budget Request # 635

Description of Proposed Initiative

Project Management Support for Requested Capital Program

Service Area

Business Services & Corporate Assets

Facilities & Property Management

Department

Corporate Services

Impacts (000s)	2010 & Prior	2011	2012	2013	2014
Net Operating	0	46	42	0	0
Net Cost					
Funded from	0	46	42	0	0
Tax Levy					
Net Impact on Tax Levy		0.02 %	0.01 %	0.00 %	0.00 %
FTE	0	3	1	0	0
Capital					
Approved					
Forecast					
Net					
Incremental	0	0	0	0	0
Capital					

Details of Service Change

The Facilities Planning and Development (FPD) section is responsible for implementing Facilities and Property Managements (FPM) capital projects work plan. There are currently eight project managers, each managing four capital projects that are underway. Projects under Infrastructure Stimulus Funding (ISF) and Recreational Infrastructure Canada (RInC) Ontario are scheduled for substantial completion by the end of March 2011. Work is expected to continue on these projects until they reach final completion later in the year. Other projects in the work plan are also underway with some scheduled for completion by the end of 2011 and others by the end of 2012. Project Management resources brought in for the ISF Program are being eliminated when these projects are completed.

Looking forward, there are new projects that have been approved in the 10 Year Capital Budget that will need to be managed commencing 2011. The planned completion dates for these new projects range from 2012 to 2017. It is anticipated that the workload experienced today by the project managers in FPD is unlikely to be reduced even with the completion of the ISF and RInC Ontario projects in March 2011, as an almost equal number of new approved projects will need to commence soon afterwards, in addition to other ongoing projects that will be continuing into 2012 .

Among the submissions in the current four year business planning cycle, some 30 new initiatives from other Service Area have been identified as capital projects that require FPM project management support. The proposed timelines for commencement of these projects range from 2011 to 2014. The anticipated duration of these projects varies from two to four years.

Over the next few years, the culmination of projects that are underway, the new approved 10 year capital budget projects and the additional projects identified in the business plan can not be completed as required with existing resources. The historical workload baseline for FPD project managers is two projects per year per person. Today, the eight project managers are managing double the workload. There is no extra capacity to take on more projects. In order for FPM to provide a proper and professional level of project management services to the new projects, three additional project manager Full Time Equivalent (FTE) positions will be required for FPD commencing 2011, together with one new space planner FTE position commencing 2011 to support space planning needs of the new projects.

Service Impact

Any increase to the present project management and space planning workload in FPM without additional

resources would adversely affect the level of professional management of new and ongoing projects. Having to manage the high number of new capital projects between 2011 and 2018 will impact significantly on the level of project management and space planning services provided by FPM. Three additional Project Manager FTE positions (two permanent and one contract) are fully funded from capital project budgets and would not put pressure on the operating budget. The additional space planner FTE (one contract) position represents a future pressure on the current budget

Comments

The additional staff resources requested above are critical to a professional level of project management and space planning support being provided by FPM to ongoing and new projects identified above.