



2011-2014 Business Plan & Budget City of Mississauga, Ontario, Canada

Facilities and Property Management Business Plan

2011-2014



Vision and Mission

Vision – The Vision of the Corporate Services Department, which is fully embraced by the Facilities and Property Management Division, is “*Partnering for Success*”. This statement captures the basic philosophy of the department that we work together with the other departments of the city to provide excellent service to our common customer – the taxpayer.

Mission - To effectively manage the City’s real property assets in a manner that enables the delivery of excellent municipal services.



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Service Delivery Model



Past Achievements

- Acquisition of land to support the Bus Rapid Transit project.
- Established Transit Enforcement Program in support of corporate ridership targets.
- Expansion of Transit maintenance and administration facility with *zero* disruption to service during the three year, \$85 million project.
- Developed Green Building Standards to guide development of city facilities



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Past Achievements

- Implemented a variety of energy management strategies saving \$10.2 million since 2005.
- Responded quickly to the challenge of ISF/RINc infrastructure grant programs.
- Developed an Accessibility Design Handbook to guide construction and renovation of city facilities.

Current Service Levels

On an annual basis FPM:

- Completes 60 capital projects of varying size and complexity - 80% delivered on time and on budget
- Closes 105 realty files (purchase, sale, lease, etc.)
- Responds to over 9200 security incidents
- Carries out 9700 preventative maintenance inspections on City buildings
- Responds to over 500 service calls on park pathway and sport field lighting



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Current Service Levels

In 2010 FPM:

- Relocated over 400 staff in offices
- Secured \$395,000 in grants for energy conservation projects

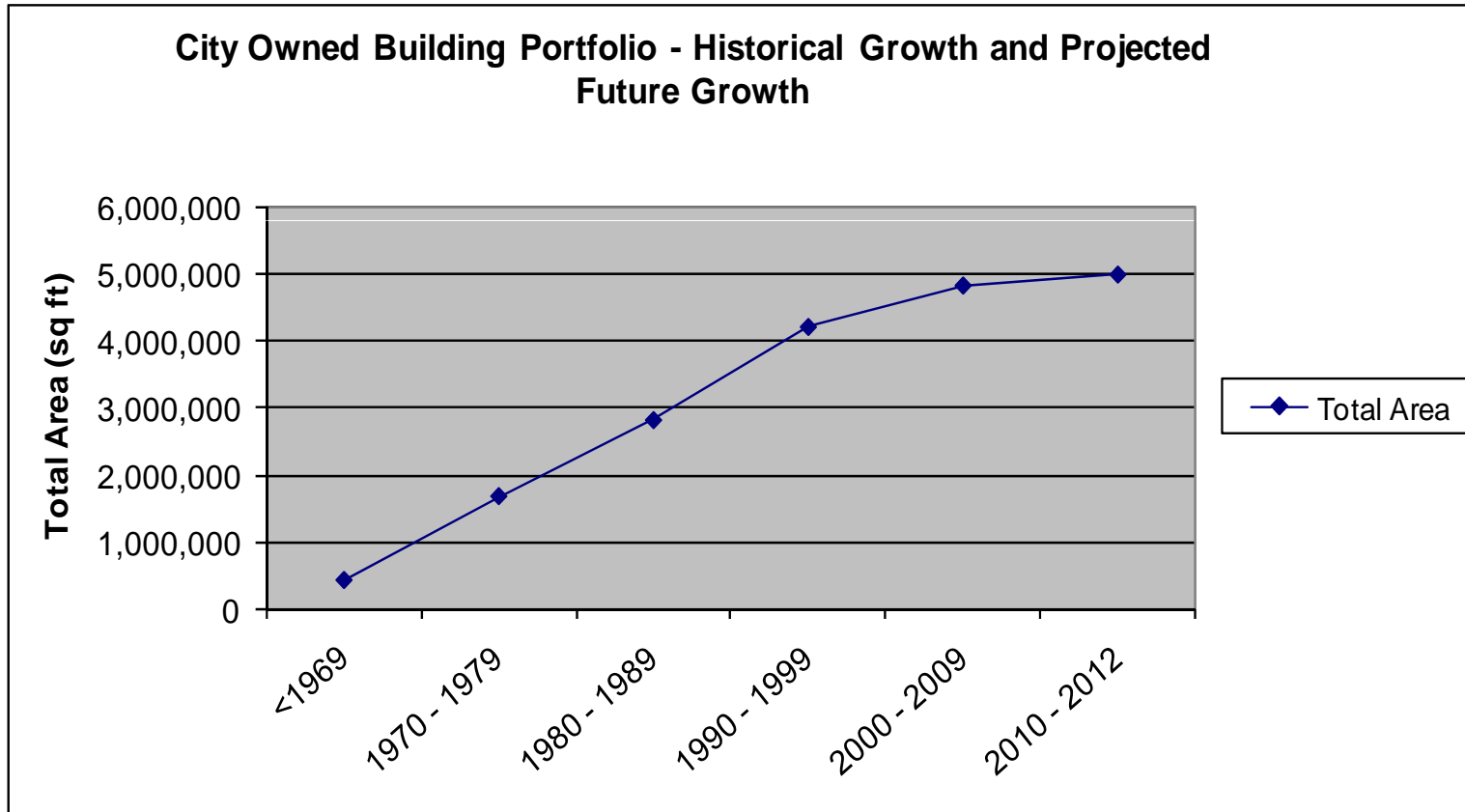
City Facilities

- 256 City owned buildings
- 4.6 million square feet of space
- Site services and lights in 327 parks
- Facility asset replacement value \$1.2 billion



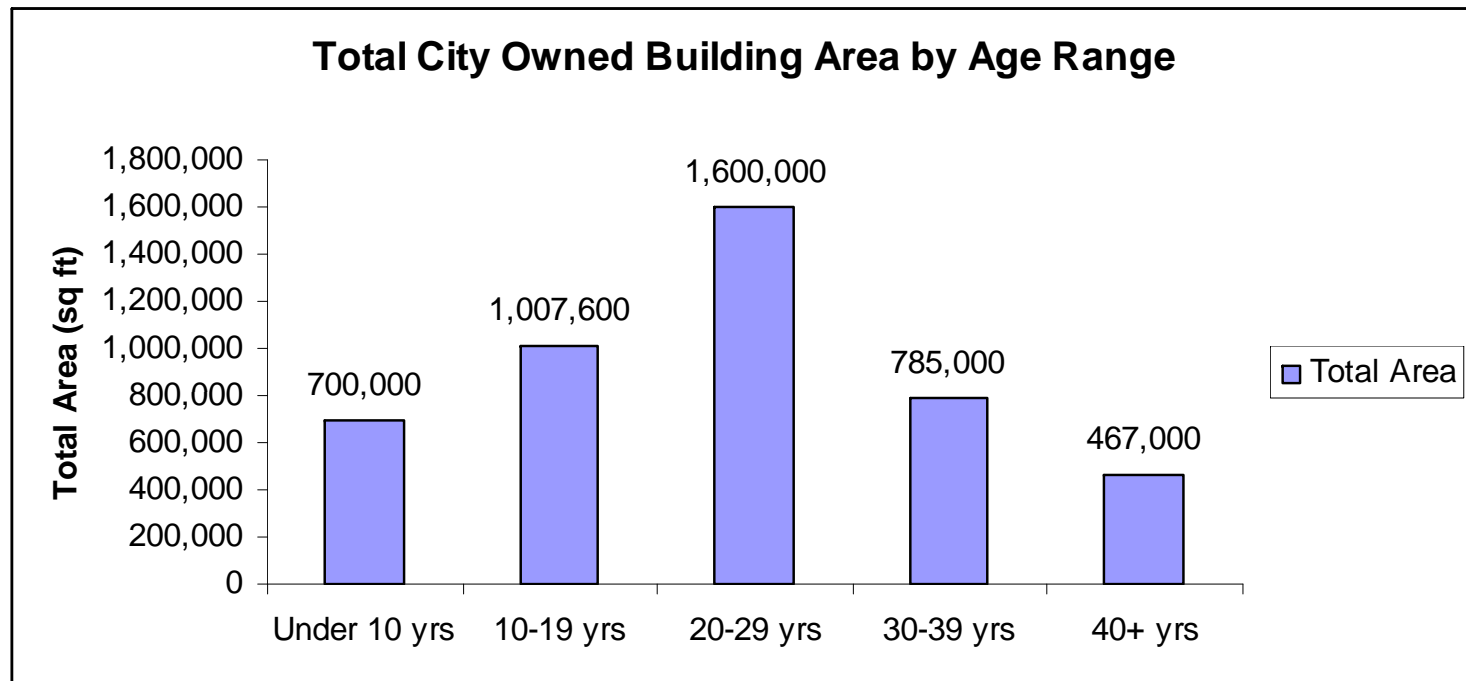


City Facilities





City Facilities



Opportunities and Challenges

Challenges

- Volatile energy markets
- Growing expectations for a “greener” operation
- Maintaining a state of good repair
- Pressures from growth in complexity of facilities





Opportunities and Challenges

Opportunities

- Grants and incentives for investment in green technologies
- Implementation of open market purchasing strategies for utilities
- New software to monitor and manage cost of utilities
- Formalized asset management program for financial planning
- Investment in maintenance to improve performance of assets



Goals of this Plan

- Enhance our ability to contribute to the Living Green pillar of the Strategic Plan by expanding our programs in the Energy Management area
- Ensure a sustainable state of good repair of building assets by implementing a proactive asset management program based on objective condition indices
- Continue to meet the challenges of maintaining an ageing portfolio while meeting the expectations for service in support of internal clients and to residents



Key Deliverables

Energy Management

- Increase our capacity to monitor accounts, develop and implement conservation strategies, examine innovative technologies, implement effective purchasing strategies, promote conservation initiatives, pursue grant opportunities
- Currently 1 Manager, 1 Coordinator, 1 Contract Analyst (funded from capital), 1 Co-op Student
- By contrast Region has 14 people and 2 Managers
- Propose to add one Analyst in 2011, convert the existing contract to FT in 2012 and add a final Analyst in 2013
- With the additional effort spent on this area we anticipate offsetting energy cost savings



Key Deliverables

Asset Management Program

- Vision is to have a system that sets condition targets and allocates capital resources in a planned way to achieve those targets
- Have invested in an asset management system and detailed condition assessments of facilities
- Discussion on condition targets will frame capital cost impact for refresh
- Full value of the system realized when data is current, modelling capabilities used, priorities pursued and forecasts developed
- Propose to convert 1 contract to FT in 2011
- Future resources to address maintenance of program and analysis of data will be determined by city wide study of asset management needs



Key Deliverables

Continue to Maintain a Growing Portfolio of Assets

- Facility assets are the base of service delivery for City services – ability to develop and maintain these assets must keep pace with the growth in demand if service expectations are to be met
- New HVAC Technician to address growing portfolio
- Budget for anticipated increase in building maintenance contracts
- Move to field based computing in 2012 to use capability of Hansen and make more effective use of administrative resources
- Add project management (3) and space planning (1)resources to address the capital plans of the departments
- Ensure resources available to meet the accommodation needs of the departments new initiatives

2011 – 2014 Budget

| 4 Year Budget and Forecast | | | | | | | | | |
|----------------------------|----------------|----------------|-------------|----------------|-------------|------------------|-------------|------------------|-------------|
| (\$ 000's) | 2010 Budget | 2011 Budget | % Change | 2012 Budget | % Change | 2013 Forecast | % Change | 2014 Forecast | % Change |
| Labour Costs | 11,965 | 12,414 | 3.8% | 13,329 | 7.4% | 14,197 | 6.5% | 14,756 | 3.9% |
| Other Operating Expenses | 7,017 | 7,275 | 3.7% | 7,597 | 4.4% | 7,714 | 1.6% | 7,686 | -0.4% |
| Total Costs | 18,982 | 19,688 | 3.7% | 20,925 | 6.3% | 21,911 | 4.7% | 22,441 | 2.4% |
| Total Revenues | (428) | (390) | -8.9% | (353) | -9.5% | (353) | 0.0% | (353) | 0.0% |
| Net Cost | 18,554 | 19,298 | 4.0% | 20,572 | 6.6% | 21,558 | 4.8% | 22,088 | 2.5% |
| Allocations | (371) | (431) | 16.0% | (403) | -6.6% | (374) | -7.0% | (355) | -5.2% |
| Net of Allocations | 18,182 | 18,867 | 3.8% | 20,170 | 6.9% | 21,184 | 5.0% | 21,734 | 2.6% |

Note: Numbers may not balance due to rounding.



Summary of 2011-2014 Programs by Service

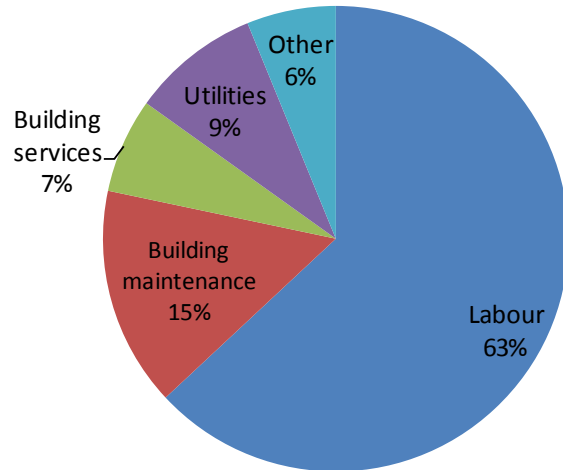
| 2011 - 2014 Net Operating Budget by Program | | | | | | | | |
|---|----------------|-------------|----------------|-------------|------------------|-------------|------------------|-------------|
| Program Expenditures (\$ 000's) | 2011 Budget | % Change | 2012 Budget | % Change | 2013 Forecast | % Change | 2014 Forecast | % Change |
| Building Maintenance | 5,950 | 7.2% | 6,261 | 5.2% | 6,413 | 2.4% | 6,521 | 1.7% |
| Building Operations | 3,359 | 1.4% | 3,443 | 2.5% | 3,526 | 2.4% | 3,572 | 1.3% |
| Capital Project Mgmt & Space Planning | 2,218 | 8.8% | 2,516 | 13.4% | 2,772 | 10.2% | 2,929 | 5.7% |
| Divisional Support Services | 1,271 | 1.7% | 1,321 | 3.9% | 1,370 | 3.7% | 1,405 | 2.5% |
| Realty Services | 697 | 2.6% | 1,053 | 51.2% | 1,260 | 19.6% | 1,299 | 3.1% |
| Security Services | 3,275 | 3.4% | 3,485 | 6.4% | 3,686 | 5.8% | 3,829 | 3.9% |
| Utilities | 2,098 | -4.1% | 2,091 | -0.3% | 2,157 | 3.2% | 2,180 | 1.0% |
| Net Program Impact | 18,867 | 3.8% | 20,170 | 6.9% | 21,184 | 5.0% | 21,734 | 2.6% |

Note: Numbers may not balance due to rounding.

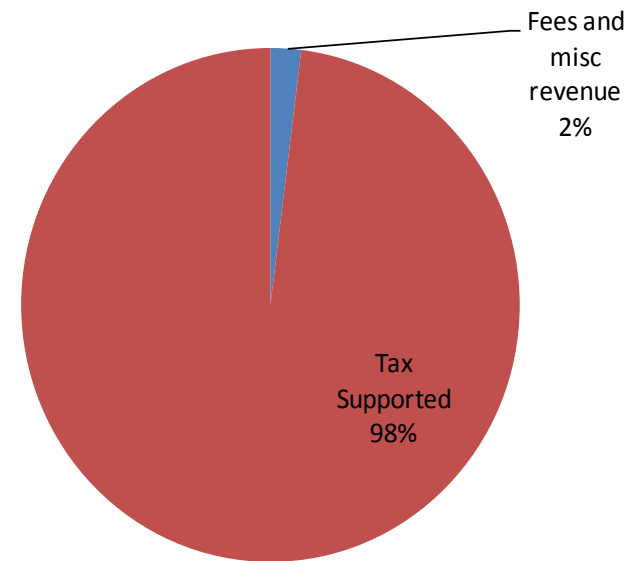


2011 Budget

Expenditures = \$19.7 Million



Revenues = \$19.7 Million



Budget Net of Allocations : \$18.9M



Drivers of Operating Costs

| Description (\$ 000's) | 2011 | 2012 | 2013 | 2014 |
|---|---------------|---------------|---------------|---------------|
| Prior Year Budget | 18,182 | 18,867 | 20,170 | 21,184 |
| Base Changes & Impact of Capital Projects | | | | |
| Base Changes | 708 | 928 | 784 | 557 |
| Impact of New Capital Projects | 0 | 0 | 0 | 0 |
| Continuous Improvements | | | | |
| Efficiencies | (180) | (70) | (3) | 0 |
| Budget Reductions | (36) | (51) | 0 | 0 |
| Total Changes to Base and Continuous Improvement | 492 | 807 | 781 | 557 |
| Total Cost to Deliver Our Existing Services | 18,675 | 19,674 | 20,950 | 21,741 |
| Proposed Changes | | | | |
| Growth Driven Initiatives | 105 | 132 | 91 | 42 |
| New Service Level/New Initiatives - Funded from Tax or Reserves | 88 | 364 | 143 | (49) |
| New Revenues | 0 | 0 | 0 | 0 |
| Total - Proposed Changes | 193 | 496 | 234 | (7) |
| Total Budget | 18,867 | 20,170 | 21,184 | 21,734 |

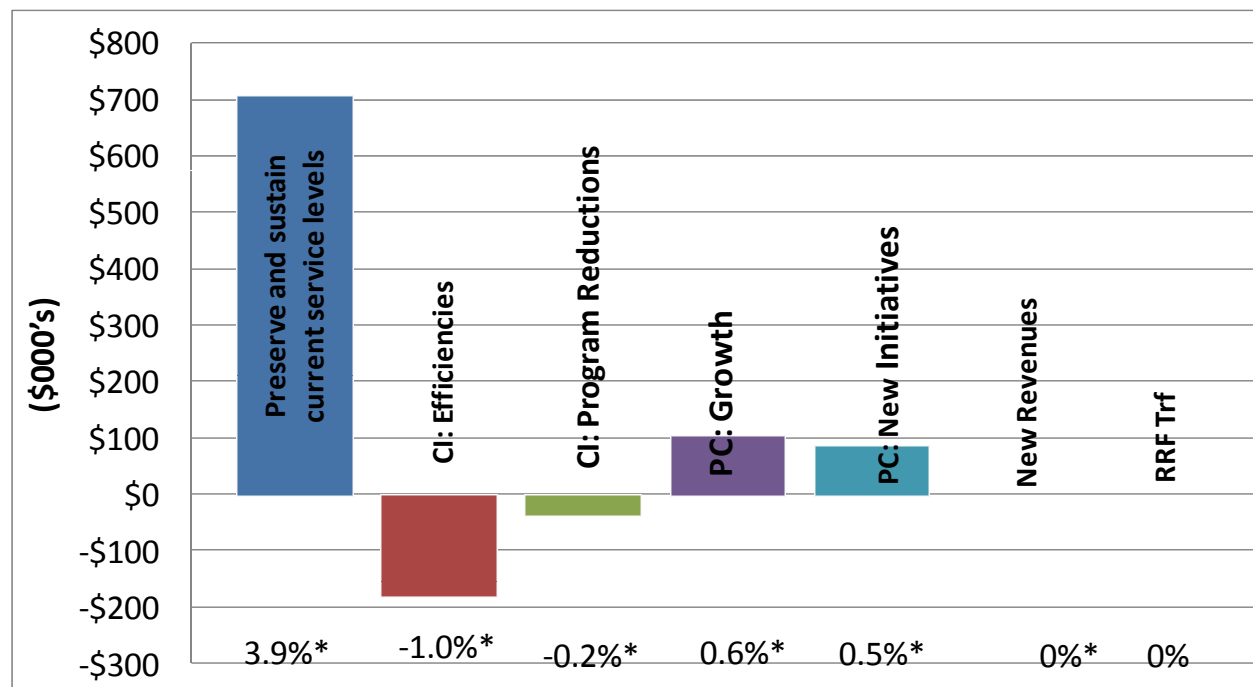
Note: Numbers may not balance due to rounding





Summary of 2011 Changes

(3.8% Increase from 2010 Net Operating Budget)



* represents the % increase or decrease relative to the 2010 Net of Allocations Operating Budget

Preserve and Sustain Current Service Levels

Highlights of Base Budget Changes

| Description (\$ 000's) | 2011 | 2012 | 2013 | 2014 | Total Net Costs |
|---|------------|------------|------------|------------|--------------------|
| Building maintenance increase | 283 | 115 | | | 398 |
| Labour Adjustments E/PMP-Facilities & Property Management | 555 | 696 | 695 | 475 | 2,421 |
| Labour Gapping | (250) | | | | (250) |
| Departmental Support Services cost allocation | 21 | 28 | 28 | 20 | 98 |
| Security System maintenance increase | 22 | | | | 22 |
| Building operation cost | (1) | 2 | | | 1 |
| Utilities cost increase | 78 | 87 | 61 | 63 | 288 |
| Total Base Budget Highlights | 708 | 928 | 784 | 557 | 2,977 |

Note: Numbers may not balance due to rounding



Continuous Improvement – Efficiencies

Efficiencies

| Description (\$ 000's) | BR # | 2011 | 2012 | 2013 | 2014 | Total Net Costs |
|--|------|--------------|-------------|------------|----------|--------------------|
| Improved Utility Procurement Strategy | 97 | (180) | (70) | | | (250) |
| Implement Field Computing for Facilities Maintenance | 443 | | | (3) | | (3) |
| Total Operating Budget Impact | | (180) | (70) | (3) | 0 | (253) |

Recommended Program Reductions

| Description (\$ 000's) | BR # | 2011 | 2012 | 2013 | 2014 | Total Net Costs |
|--|------|-------------|-------------|----------|----------|--------------------|
| Lower winter heating temperature by 1 degree Celsius and raise summer cooling to 25 degrees Celsius to save energy | 589 | (36) | (51) | | | (87) |
| Total Operating Budget Impact | | (36) | (51) | 0 | 0 | (87) |

Note: Numbers may not balance due to rounding



Proposed Changes

Growth Driven Service Costs

| Description (\$ 000's) | BR # | FTE | 2011 | 2012 | 2013 | 2014 | Total Net Costs |
|--|------|------------|------------|------------|-----------|-----------|--------------------|
| Support Growing Portfolio of Building Assets | 327 | 1.0 | 43 | 41 | | | 84 |
| Facility Asset Management Program | 338 | 2.0 | 62 | 91 | 91 | 42 | 286 |
| Total Operating Budget Impact | | 3.0 | 105 | 132 | 91 | 42 | 370 |

Note: Numbers may not balance due to rounding



New Initiatives

Increased Service Levels/New Initiatives

| Description (\$ 000's) | BR # | FTE | 2011 | 2012 | 2013 | 2014 | Total Net Costs |
|---|------|------------|-----------|------------|------------|-------------|--------------------|
| Expand Energy Management Capabilities | 90 | 2.0 | 42 | 14 | (7) | (49) | 0 |
| Office Accommodation to Support Departmental Requests | 622 | | | 300 | 150 | | 450 |
| Project Management Support for Requested Capital Program | 635 | 4.0 | 46 | 42 | | | 88 |
| Purchase an Incident Database for Corporate Security Applications | 208 | | | 8 | | | 8 |
| Total Operating Budget Impact | | 6.0 | 88 | 364 | 143 | (49) | 546 |

Note: Numbers may not balance due to rounding





Human Resources

2011 Changes to FTEs

| Initiative | Staff Description | Staff (FTE) | 2011 Operating Budget Impact (\$000s) |
|---|---|-------------|---------------------------------------|
| Operating | | | |
| BR 327: Support Growing Portfolio of Building Assets | Skilled Tradesperson (HVAC) | 1 | 43 |
| BR 90: Expand Energy Management Capabilities | Energy Co-ordinator | 1 | 41.9 |
| BR 635: Project Management Support for Requested Capital Program | Space Planner | 0.5 | 45.9 |
| BR 338: Facility Asset Management Program | Asset Co-ordinator - Conversion from a temporary position | 0 | 42.9 |
| Total Additional Full-Time Equivalent (FTE) Positions Funded in Operating Budget | | 2.5 | 173.7 |

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Additional 2011 Resources Funded Through Capital

| Initiative | Staff Description | Staff (FTE) |
|---|-----------------------------|-------------|
| Capital | | |
| BR 635: Project Management Support for Requested Capital Program | Project Managers | 2.5 |
| Base Adjustment | Annualization of 2010 hires | 1.0 |
| Total Additional Full-Time Equivalent (FTE) Positions Funded Through Capital | | 3.5 |

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Capital Budget Highlights

- Capital Program includes:
 - Accessibility Program \$318K
 - Energy Management Program \$318K
 - Heritage Building Program \$450K
 - Roofing Program \$760K

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Capital Budget Highlights

- Major capital maintenance projects include:
 - Tennis Club light replacements \$160K
 - Vic Johnston condenser replacement \$280K
 - Streetsville Memorial Park comfort station \$100K
 - Erin Mills Twin Arena ice plant and flooring \$450K
 - Various arenas mechanical systems \$370K
 - Frank McKechnie structure detail design \$106K

Capital Budget Highlights

- Major capital maintenance projects include:
 - Central Library atrium windows \$385K
 - Living Arts Centre canopy repair \$475K
 - Living Arts Centre flooring and room divider \$300K
 - Central Transit hoists (2) \$475K
 - Clarkson Service Centre lighting \$240K



2011 to 2020 Capital

| Program (\$000) | 2011 Budget | 2012 Budget | 2013 Forecast | 2014 Forecast | 2015 Forecast | 2016 Forecast | 2017 Forecast | 2018 Forecast | 2019 Forecast | 2020 Forecast | Total |
|---------------------------------------|----------------|----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|----------------|
| Capital Construction and Improvements | 1,730 | 1,000 | 500 | 500 | 500 | 2,000 | 4,000 | 10,500 | 10,500 | 3,420 | 34,650 |
| Facility Services | 613 | 734 | 747 | 756 | 719 | 722 | 726 | 729 | 715 | 739 | 7,200 |
| Lifecycle Maintenance | 6,941 | 7,046 | 6,976 | 7,559 | 7,897 | 8,204 | 9,319 | 12,251 | 9,059 | 8,746 | 83,997 |
| Space Planning | 5,307 | 3,780 | 780 | 780 | 480 | 442 | 780 | 780 | 780 | 777 | 14,686 |
| Vehicles and Equipment | 73 | 38 | 42 | 39 | 42 | 78 | 50 | 43 | 50 | 51 | 506 |
| Total Net Expenditures | 14,664 | 12,598 | 9,045 | 9,633 | 9,638 | 11,446 | 14,874 | 24,303 | 21,104 | 13,733 | 141,039 |





Balanced Scorecard

| Measures for Facilities and Property Management | 2008 (Actual) | 2009 (Actual) | 2010 (Planned) | 2011 (Planned) | 2012 (Planned) | 2013 (Planned) | 2014 (Planned) |
|---|---------------|---------------|----------------|----------------|----------------|----------------|----------------|
| Financial | | | | | | | |
| Average Maintenance Cost per Square Meter | \$8.86 | \$8.96 | \$8.96 | \$9.24 | \$9.42 | \$9.53 | \$9.72 |
| Customer | | | | | | | |
| Meet Service Level Response standard 80% of the time* | - | - | 80% | 80% | 80% | 80% | 80% |
| Respond to Security Dispatches within 17 minutes | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Employee | | | | | | | |
| Maintain 70% or Greater Employee Satisfaction Rating for Job related Technical Training and Development | 63% | 76% | 70% | 70% | 70% | 70% | 70% |
| Business Process | | | | | | | |
| Electricity Consumption per Square Meter (KWH) | 188.3 | 179.4 | 175.4 | 177.8 | 176.0 | 174.2 | 170.8 |
| Water M3 Consumption per Square Meter | 1.890 | 1.938 | 1.803 | 1.785 | 1.767 | 1.749 | 1.732 |
| Natural Gas M3 Consumption per Square Meter | 22.13 | 22.18 | 21.94 | 21.72 | 21.51 | 21.29 | 21.08 |
| Maintain Energy Consumption Levels at 1% annual reduction on e-kWh/m ² | 412.7 | 412.3 | 408.2 | 404.1 | 400.0 | 396.0 | 392.1 |
| Square Meter Maintained per FTE | 61 | 66 | 66 | 68 | 61 | 61 | 61 |