



2020 to 2023 Business Plan

Service: Facilities

\$0.31

Cost per day for the average rate payer (2020 to 2023)

3.57%

Percentage of the 2020 to 2023 City of London Net Property Tax Supported Budget

Who we are:

- Facilities manages capital & life cycle works, maintenance and energy management services in order to maintain an efficient and sustainable facility infrastructure for City services.

What we do:

- Facilities contributes towards the City's delivery of services in a cost efficient and effective manner by maintaining City facilities.
- In addition, Facilities manages risks associated with new construction projects, reducing the potential for financial cost overruns and project delays.
- It also ensures compliance with applicable regulations and mandatory inspections.

Why we do it:

- **Essential** - Facilities management is essential for ensuring that the City can deliver municipal services as planned.

The following table provides an overview of the budget for this service:

Budget Summary (\$000's)	2020	2021	2022	2023	2020 to 2023 TOTAL
Gross Operating Expenditures	\$24,641	\$24,875	\$25,152	\$25,464	\$100,132
Other Revenues	-\$624	-\$632	-\$545	-\$553	-\$2,354
Net Tax Levy Supported Operating Budget	\$24,017	\$24,243	\$24,607	\$24,911	\$97,778
Total Capital Expenditures	\$6,053	\$4,722	\$6,021	\$9,909	\$26,705
Full-Time Equivalents (FTE's)	66.2	66.2	66.2	66.2	N/A

Reflects 2020 to 2023 Council Approved Budget - January 12, 2021.

The following section provides an overview of the key activities the service plans to undertake from 2020 to 2023 to implement the Corporation's 2019 to 2023 Strategic Plan, as well as an overview of the risks and challenges the service is anticipated to experience during this period:

Service Highlights 2020 to 2023

- Capital expenditure budget that Facilities manage on behalf of all areas ranges from \$10.6 million to \$11.6 million from 2016-2019.
- Average annual capital expenditure budget that Facilities manage on behalf of Museum London \$460,000.
- Repurposing of the \$2.1 million Silverwoods Arena - managing the design and construction for Parks & Recreation.
- Construction of a new arena anchored Southeast multi-purpose Community Centre - managing the design and construction for Parks & Recreation.
- Community, Culture and Recreation funding under the Federal Investing in Canada Infrastructure Plan - Submission of 5 projects in addition to the Silverwoods Arena and new Southeast Community Centre - managing the design and construction for Facilities and Parks & Recreation.
- Master Accommodation Plan – managing the development of a report outlining future administrative space and standard's needs;
- OMP2020 – Operation Centre Master Plan - managing the development and execution of a plan to accommodate the current and future growth needs, demographic changes, accessibility updates and enhanced security features.
- Construction of new Fire Halls No.15 and No.16 - managing the design and construction of facilities for Fire Services.
- Foxfield Park improvements - managing the design and construction of facilities components for Parks & Recreation.

- Parks and Recreation Master Plan facilities - managing the design and construction of facilities for Parks & Recreation.

Risks and Challenges Anticipated in 2020 to 2023

- Ongoing impacts of COVID-19 will continue to create pressures on custodial services (materials & labour) for enhanced cleaning standards. Also increased safety controls such as Plexiglas barriers, signage, staff and customer accommodation as well as ongoing operational support for Assessment Centres, are increasing operational costs.
- Climate Change – new stresses created on equipment and existing systems (extremes in temperature/weather conditions adds extra pressure on equipment and existing systems).
- Unanticipated variations in utility unit rate cost due to regulatory changes, North American natural gas supply environment and weather fluctuations.
- Inspection and criteria changes by regulatory compliance bodies. There has been a recent pattern of higher frequency of inspection, highly focused inspections and less prescriptive reports issued regulatory compliance bodies.
- Increased responsibilities including: acquisition of buildings not previously part of Facilities portfolio (i.e. purchase of commercial buildings\properties\leased space previously maintained by landlords), inflation, utility cost envelope increases, additional building square footage to manage through growth programs, increased facility usage and intensification of staff roles/responsibilities are distinct pressure points.
- Modern technology in HVAC equipment requires greater operational servicing to ensure optimal performance is maintained. Equipment Life Cycle trends indicate older units are not lasting as long as previous generations of equipment.
- Canada had committed to the phase-out schedule for domestic consumption of HCFCs with the next targeted date of 2020. This means we will no longer have access to R22 refrigerant and such equipment will have to be replaced with suitable new units.
- ESA - (Electrical Safety Authority) Arc Flash, regulated maintenance and log – new initiative. Legislative driver Z462 and new Z463.
- Age Friendly London Network – World Health Organization recommendations. Increased attendance/demographics in active facilities will lead to increase use and therefore more upkeep.
- Trade disputes, tariffs, and interest rate fluctuations, in addition to shortages of contractors and skilled labour is underlying an increasingly difficult to predict construction market.

The service directly supports the following components of the Corporation's 2019 to 2023 Strategic Plan:

Leading in Public Service

Londoners experience exceptional and valued customer service.

Expected Result: Increase efficiency and effectiveness of service delivery.

Strategy:

- Accommodate long-term space needs for the City of London and optimize service delivery locations. (LPS-12)

Metric	2019	2020	2021	2022	2023
TBD pending approval of Master Accommodation Business Plan (MAP) business case through Multi-Year Budget.	TBD	TBD	TBD	TBD	TBD

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