



Governance and Priorities Committee Report

For the Meeting of October 22nd, 2015.

To: Governance and Priorities Committee **Date:** October 15, 2015
From: Thomas Soulliere, Director of Parks, Recreation and Facilities
Subject: Facility Condition Assessment Report

RECOMMENDATION

That Council receive this report for information.

EXECUTIVE SUMMARY

There are 97 buildings and other structures on City property, ranging from major facilities, including City Hall and the fire stations, to small structures, such as storage buildings, public washrooms and workshops. The majority of these buildings are operated directly by the City, however, some facilities on City property are managed through partnerships with other organizations.

In January 2015, Council approved funding for a review of the condition of every facility on City property, which would also provide cost estimates to inform future capital investment planning. Staff committed to report back to Council in October 2015 with the results of this effort.

Over the past several months, staff have worked with consultants Morrison Hershfield who completed the study that included, reviews of existing plans and documents, site inspections, financial analysis, interviews and photographic documentation. The result is a catalogue of information regarding the condition of every facility on City land.

The Morrison Hershfield report provides a financial projection template for each facility based on the life cycle of building systems, years remaining on building systems and required maintenance. By using a priority rating system, the financial analysis tool provides information about the anticipated investment that is required to maintain a desired standard of service. In addition to providing an overall guide for future investment planning, this tool will allow staff to update information over time regarding upgrades completed and ultimately assist with managing resources in a more effective manner.

Staff received the attached final report from the consultant on October 14. Given the size and complexity of the information, staff will immediately begin a process to use the content of the study to develop a work plan, including a financial strategy for facilities.

It is important to note that this condition assessment is focused solely on the physical components; structural elements, building envelope, mechanical systems, elevators, plumbing, electrical, accessibility, and finishes. The study did not explore or consider the current or potential usage of

facilities, which is an important future project that will add further value to discussions regarding strategic investment planning. This study is being proposed as part of the 2016 financial plan.

PURPOSE

The purpose of this report is to inform Council of the results of the Facility Condition Assessment, conducted by Morrison Hershfield. The attached consultant's report provides the following information:

- An introduction to the scope of work for the project, including all facilities assessed
- A description of the methodology utilized by the project team, and
- A detailed description of the features and funding projections for each facility

BACKGROUND

In January 2015, Council approved funding for a review of the physical condition of every facility on City property, which would also provide cost estimates to inform future capital investment planning.

In February, staff initiated a Request for Proposals process which resulted in a contract with engineering firm Morrison Hershfield (MH), to conduct the assessment. Over the past several months, staff have worked with the consultants who completed the analysis that included, reviews of existing plans and documents, site inspections, interviews and photographic documentation, to create a catalogue of information about the condition of every facility on City-owned lands.

OPTIONS AND ANALYSIS

A key component of the MH report is the financial projection template for each facility based on the life cycle of building systems, years remaining on building systems and required maintenance. By using a priority rating system, the financial analysis tool provides information about the minimum investment that is required to maintain a standard of service. The projections provided are based on the consultant's professional opinion of the probable cost to carry out the recommended actions. The estimates do not represent a fixed schedule for upgrades as repairs may be required sooner or later than anticipated.

Each system's probable cost includes the unit rate cost and an allowance for consulting fees, contingency and taxes, where required. In addition to providing an overall guide for future investment planning, this tool will allow staff to update information over time regarding upgrades to facilities and manage resources in a more effective manner. This foundational information will be incorporated into future financial plans and will inform reserve fund requirements.

Among the key findings from the consultant's review are the following;

- Overall the City's facilities are well maintained and in good condition; although significant upgrades are recommended for Fire Station No.1 and Crystal Pool, as previously identified to Council;
- The current building inventory includes a very large area of roofing, which will require a detailed replacement plan in order to manage the anticipated investment costs over the coming 5-10 years;

- Other systems that will require major investment in the next 5 years include heating/ventilation/air conditioning upgrades, building envelope repairs (exterior finishes), and upgrades to interior finishes;
- A program of regular preventative maintenance and inspections is required to validate the condition of building elements and life cycle estimates.
- There are a total of 47 male, 47 female, 7 gender-neutral, and 56 wheelchair-accessible washrooms across the inventory of facilities.

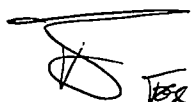
In terms of specific next steps, staff intend to undertake the following actions.

1. Outline a work plan and financial strategy for facility upgrades;
2. Outline a work plan, timeline and budget for a strategic review of facility use and the provision of City services.

CONCLUSION

The Facility Condition Assessment report from Morrison Hershfield provides vital information regarding the current inventory of buildings and estimated financial implications associated with managing this inventory over the next decade. Staff will immediately commence an analysis of the content of the consultant's report and generate an overall work plan for facilities in the immediate and longer term. In addition, staff will be proposing to undertake a strategic review of the use of facilities and the provision of City services, as part of the 2016 financial plan.

Respectfully submitted,

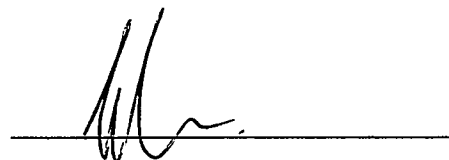


Chaz Whipp
Manager, Facilities



Thomas Soulliere
Director, Parks, Recreation and Facilities

Report accepted and recommended by the City Manager:



Date:

October 16, 2015

List of Attachments

Attachment A: City of Victoria Facility Condition Assessment Report – Morrison Hershfield