

BACKGROUND

The City of Greater Sudbury has been working diligently towards the development of an asset management plan for its buildings and facilities to meet the requirement of *O. Reg. 588/17: Asset Management Planning for Municipal Infrastructure* which also aligns with Council's strategic priority of Asset Management and Service Excellence.

The Long-Term Financial Plan prepared by KPMG in April 2017, estimates a 10-year building and facility need of \$325M. The Asset Management Plan Water and Wastewater prepared by WSP professional services estimates an additional 10-year plant and facility need of \$43.6M. These are estimates based on facility age in relation to expected useful life and do not account for the effect of maintenance programs or repairs. Detailed condition assessments, currently planned or underway, will produce updated information to inform adjustments to current estimates and help establish specific asset management plans.

Detailed condition assessments, which are the subject of this report, have now been completed for Emergency Services stations. These follow from a report presented to Emergency Services Committee in the fourth quarter of 2019. Additionally, value for money audits on Fire and Paramedic Services performed by the City's Auditor General and presented to Audit Committee in 2017 included recommendations regarding asset renewal requirements and building condition assessments for existing Emergency Services stations.

ASSET MANAGEMENT – BUILDINGS AND FACILITIES ASSET CLASS

Buildings and facilities are utilized to deliver a multitude of services across the city. The municipality owns and operates approximately 550 buildings including 143 water and wastewater plants and facilities. There is an array of uses for municipal buildings including arenas, pools, ski chalets, field houses, libraries, museums, community centers, municipal offices, depots, garages, long-term care facilities, storage buildings, archives, fire and paramedic halls, water and wastewater treatment plants, lift stations and booster stations.

Building maintenance and asset renewal needs vary for each of these building types, but it is generally accepted that, for decades, maintenance programs and timely asset renewal investments have been insufficient to sustain the corporation's portfolio in a state of good repair. Investments are needed to restore building capacity and/or bring them into a state where they can help meet contemporary service levels in an efficient, sustainable manner.

In addition to the City's extensive facility portfolio, Greater Sudbury Housing owns an inventory of 280 facilities that comprise a portfolio of 1,848 social housing units and provide accommodation to approximately 4,300 community members. Condition information for the housing portfolio is documented in asset planning software and is undergoing a detailed review and update of the information to ensure that the timing and extent of asset renewal investments corresponds to the current conditions of the portfolio to make the most efficient use of limited financial resources

As of January 2020, consistent with a multi-year plan, the corporation has completed approximately 20% or 120 Building Condition Assessments. An additional 85 BCAs are anticipated to be completed in

2020 with the remainder to be completed by 2022. All water and wastewater facilities are anticipated to have BCAs completed by 2021. The major facilities will be addressed in 2020 with the remainder of water and wastewater facilities to be completed in 2021.

Committee will be familiar with detailed building condition analysis performed on each of our fifteen municipal arenas in 2018. This data was analyzed and used to provide recommendations to either continue with repair and maintenance to extend arena life cycle or to discontinue use and consider the construction of a new replacement facility.

DETAILED BUILDING CONDITION DATA IS ESSENTIAL

The most critical aspect of any asset management plan is the asset condition data. It is from this information that projections of asset life cycle and investment decisions are made. Commencing in 2018, the corporation issued a Request for Proposal for the provision of Building Condition Assessment (BCA) services for various CGS owned facilities. Building Condition Assessments are conducted by a licensed engineering firm and are used to identify and prioritize the current and future repairs and/or replacements of building components or systems.

Staff use these reports to inform capital budgeting recommendations and to guide maintenance activities. Standard practice for the revision of BCA data is at approximately 5 year intervals. This allows owner/operators to fully understand the effect of their investments over time as well as have a clear picture of the requirement for future investments to assist in ensuring the asset is sustained over time.

ASSET PLANNER – A NEW TOOL FOR STORING AND ANALYZING BUILDINGS AND FACILITIES

The need for this data to be housed in a capital planning tool from which staff are able to view, analyze, project and report on investment decisions is of vital importance. Council approved the procurement of a capital planning tool via the 2020 budget that will be the data repository for the City portfolio. This database is scheduled to begin construction in June 2020 and will continue to add data and sophisticated analysis capability as the BCA project and asset management planning progresses. The system is called “Asset Planner” and is the same system used by Housing Operations to store, analyze and report on condition of social housing building and facilities.

BUILDING CONDITION ASSESSMENTS – EMERGENCY SERVICES STATIONS

The City of Greater Sudbury conducts emergency services (Fire and Paramedics) from 24 stations throughout the City. Emergency Services stations are designed to have useful lives of approximately 50 years. However, the useful lives of these stations can be extended with the proper treatments at the proper life-cycle intervals. Emergency Services stations are largely in the latter stages of their anticipated 50 year life cycle. Specifically, 2 are under 30 years, 14 are between 30 and 50 years and 8 stations exceed 50 years of age.

The BCA's that were procured in 2018 for the data collection project were for the 24 emergency services stations. The successful proponent for the provision of BCA services in 2018 was McIntosh Perry

Consulting Engineers Ltd (MPCE). Prior to 2018, BCAs were completed on these stations in 2014. These facilities were selected for the initial BCA collection due to age, and existing concerns from capital planning and operational staff.

RESULTS OF BUILDING CONDITION ASSESSMENTS – EMERGENCY SERVICES STATIONS

MPCE completed their reviews and prepared BCA reports to provide information on the state of building components of the twenty-four (24) Emergency Service stations. The BCA reports identified repair/replacement requirements by criticality over a 10 year time period. The cost of these identified repairs/replacements have been estimated using an industry standard methodology known as “RS Means”. This standard allows for Class 5 engineering estimates that are adjusted for regional pricing across North America. These BCAs anticipate the repair or replacement of existing/similar facilities but they do not anticipate any added functionality or capacity.

BCAs were completed on the emergency services stations in 2014 and in 2018. The 2014 reports identified required expenditures of approximately \$17.1 million dollars over 10 years to bring the facilities to a state of good repair. By comparison, the results of the 2018 BCA’s for the 24 Emergency Services stations identified 10 year required expenditures have increased to approximately \$35.5 million dollars to bring the stations to a state of good repair.

The anticipated 10 year capital investment of \$35.5 million for the Emergency Service stations is approximately equivalent to the overall replacement value of these stations which is estimated at \$35.8 million. Therefore, when evaluating capital investment decisions for Emergency Services stations, it will be important to consider long-term implications of alternatives. For example, the choice to renew an existing building may have approximately the same cost as a new replacement, but features offered by the new replacement may not be available in a renewed, existing building.

Appendix A to this report is a summary of the BCA’s provided by MPCE and include additional data and information on the firm, methodology and results by station.

SUMMARY

Asset management planning for buildings and facilities is progressing at a rate that will allow the City to meet or exceed the provincial deadlines for asset management plans. Condition data has been produced for approximately 20% of the corporation’s buildings and facilities. The information included in this report about Emergency Services stations is part of that effort.

Staff are also implementing a digital planning tool that supports a consistent understanding about the overall needs for this asset class. The building condition assessments conducted on the 24 Emergency Services stations in 2018 have yielded a 10 year capital investment requirement of approximately \$35 million. This approximates the replacement value of these structures.

Committee can expect further reports that incorporate the insights provided by such condition information to inform future choices about asset renewal or replacement.