



**PUBLIC SERVICES COMMITTEE  
AGENDA**

Tuesday, April 4, 2017, 4:15 pm  
Committee Room

Pages

1. ROLL CALL
2. DECLARATION OF CONFLICT OF INTEREST
3. MINUTES OF THE PREVIOUS MEETINGS
4. PUBLIC PRESENTATION
  - 4.1 April 4, 2017 - Presentation by Capital Management Engineering Ltd. 2  
Executive Summary of the 2016 Facility Condition Assessment.  
  
Presented by: Torquil Duncan, MBA, P.Eng
5. INTRODUCTION AND CONSIDERATION OF CORPORATE REPORTS
6. PRESENTATION OF COMMITTEE REPORTS
7. UNFINISHED BUSINESS
8. CORRESPONDENCE
9. PUBLIC QUESTION PERIOD
10. ADDENDUM
11. CLOSED SESSION
12. SCHEDULING OF NEXT MEETING
13. ADJOURNMENT



The Corporation of the City of Elliot Lake

**Staff Report OPS2017-05**

Introduction by the **Director of Infrastructure Services**  
for the Consideration of Council

**RE: BUILDING CONDITION ASSESSMENT EXECUTIVE SUMMARY**

**OBJECTIVE**

To provide Mayor and Council with an Executive Summary of the Building Condition Assessment performed by Capital Management Engineering Limited.

**RECOMMENDATION**

**THAT** the presentation by Capital Management Engineering Limited, dated April 2017 be received;

**AND THAT** staff be directed to report on proposed outcomes stemming from the report in addition to the 2017 capital work plan for facilities at the next meeting of the Public Services Committee.

Respectfully Submitted

Sean McGhee  
Director of Infrastructure Services

Approved

Jeff Renaud  
Chief Administrative Officer

March 30, 2017

# Asset Management Facility Condition Assessment Presentation

Strategic Asset Management



April 2017



# presentation overview

- Project Introduction
- Objective
- Condition assessments
- Definitions
- Results
- Next Steps
- Conclusion
- Questions

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# project introduction

In response to:

RFP 2016-02

## Asset Management Facility Condition Assessment 11 Facilities

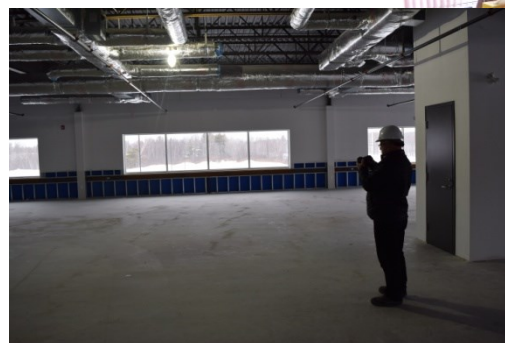


- WH Collins Ctr
- Airport Terminal
- Navy League
- Centennial Arena
- Police Station
- City Hall
- Public Works
- Fire Hall
- Rio Den Arena
- Lester B Pearson
- Ruben Yli Juuti

# project introduction

## Capital Management Engineering Limited

Incorporated 2007  
Specialized Engineering  
Head Office: Halifax  
Offices in  
ON & NB



Deliver throughout North America

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# objective

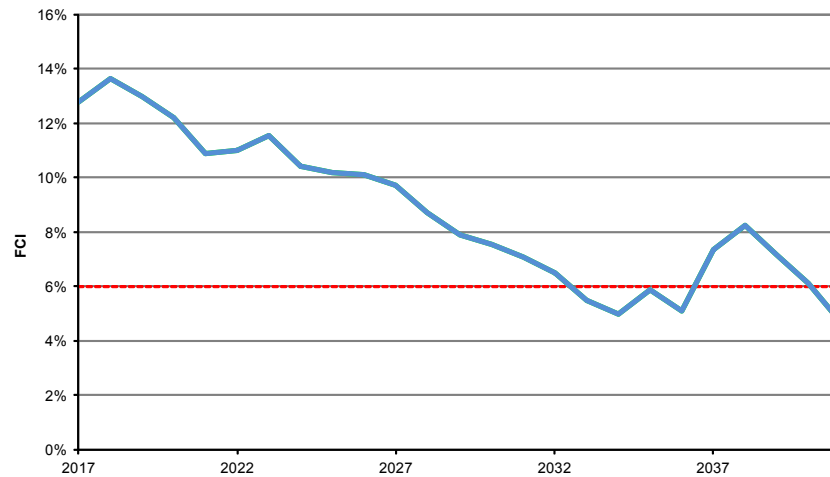
complete condition assessments  
and develop a capital plan  
11 building portfolio

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Projected Facility Condition Index of Entire Portfolio  
With a Yearly Funding Level of \$600,000

Mon., Mar. 27, 2017



--- Target FCI      — Building Eff FCI      — Building FCI



# condition assessments

A condition assessment defines the current condition

baseline information used to develop a capital plan

ASTM Standard

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# capital planning outcomes

Risk Management  
Cash Flow Projection

Benchmarking

Project Definition / Defense

Priority Setting

Opportunity Identification

Reactive - Proactive

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# Methodology

## *Site Assessment*

Visual assessment of 99%+ of each building

## *Cataloguing of systems and equipment*

major systems and components, year of installation and condition

## *Reporting*

Written report (static)

Excel files (dynamic)



# Methodology - Components

The Capital Plan

**Recapitalization Detail**

**System**

agement

Component	Recapitalization Detail	Year of Installation or Repair	Expected Useful Life (EUL)	Current Age	Theoretical Remaining Useful Life (RUL)	Useful Life Corrected For Observations	Year of Replacement
<b>Roofing</b>							
<b>Metal Roof Arena</b>	Replace at end of useful life	1968	35	49	-14	0	2017
<b>Built Up Roof 1973 Addition</b>	Repairs in the short term	1973	20	44	-24	3	2020
<b>Built Up Roof 1973 Addition</b>	Replace at end of useful life	1992	20	25	-5	10	2027
<b>Metal Roof 1992 Addition</b>	Replace at end of useful life	1992	35	25	10	10	2027

**Year Installed, EUL, useful life,**

**Adjusted for observations: anticipated year of replacement**

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# Methodology - Quantities

## The Capital Plan

**Year of Replacement**

**cyclic or single event**

Component	Year of Replacement	Type of event (Cyclic / Single)	Unit	Quantity	Unit Cost	Total Cost
<b>Roofing</b>						
Metal Roof Arena	2017	Cyclical	ft <sup>2</sup>	29,700	\$ 25.00	\$ 742,500
Built Up Roof 1973 Addition	2020	Cyclical	ft <sup>2</sup>	363	\$ 12.00	\$ 4,356
Built Up Roof 1973 Addition	2027	Cyclical	ft <sup>2</sup>	3,630	\$ 12.00	\$ 43,560
Metal Roof 1992 Addition	2027	Cyclical	ft <sup>2</sup>	2,785	\$ 25.00	\$ 69,625

**COST**

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# Methodology - outcomes

## Cash Flow Projection

### Cash Flow Analysis

		Year 1
		2017
Component	Recapitalization Detail	
Metal Siding	Replace at end of useful life	\$ 93,120
<b>Architecture</b>		
Metal Siding		\$ -
Brick Masonry	Re-point	\$ -
Block Masonry	Re-point Block Masonry	\$ -
Exterior Doors	Replace at end of useful life	\$ 20,300
Replace Auto Operator	Replace at end of useful life	\$ 2,500
Sectional Overhead Door	Replace at end of useful life	\$ -

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# definitions

## ***Deferred Maintenance***

Items (building components) which need major repair or replacement which have not been addressed.

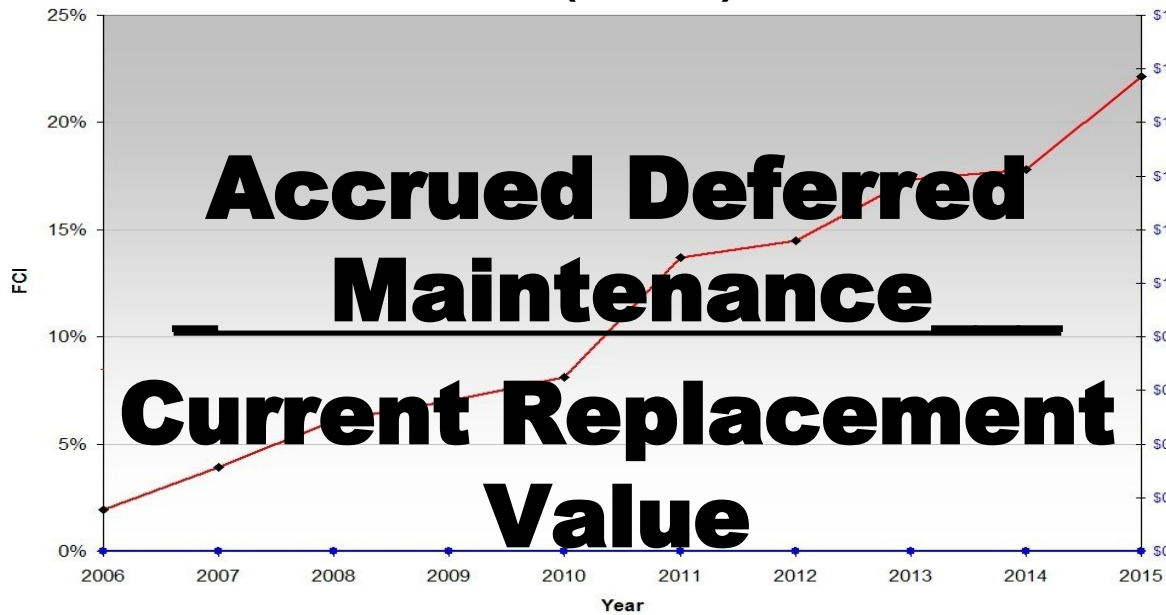
## ***Accrued Deferred Maintenance*** (ADM)

summation of deferred maintenance  
Usually expressed in dollars.



# definitions

## *Facility Condition Index* (FCI)



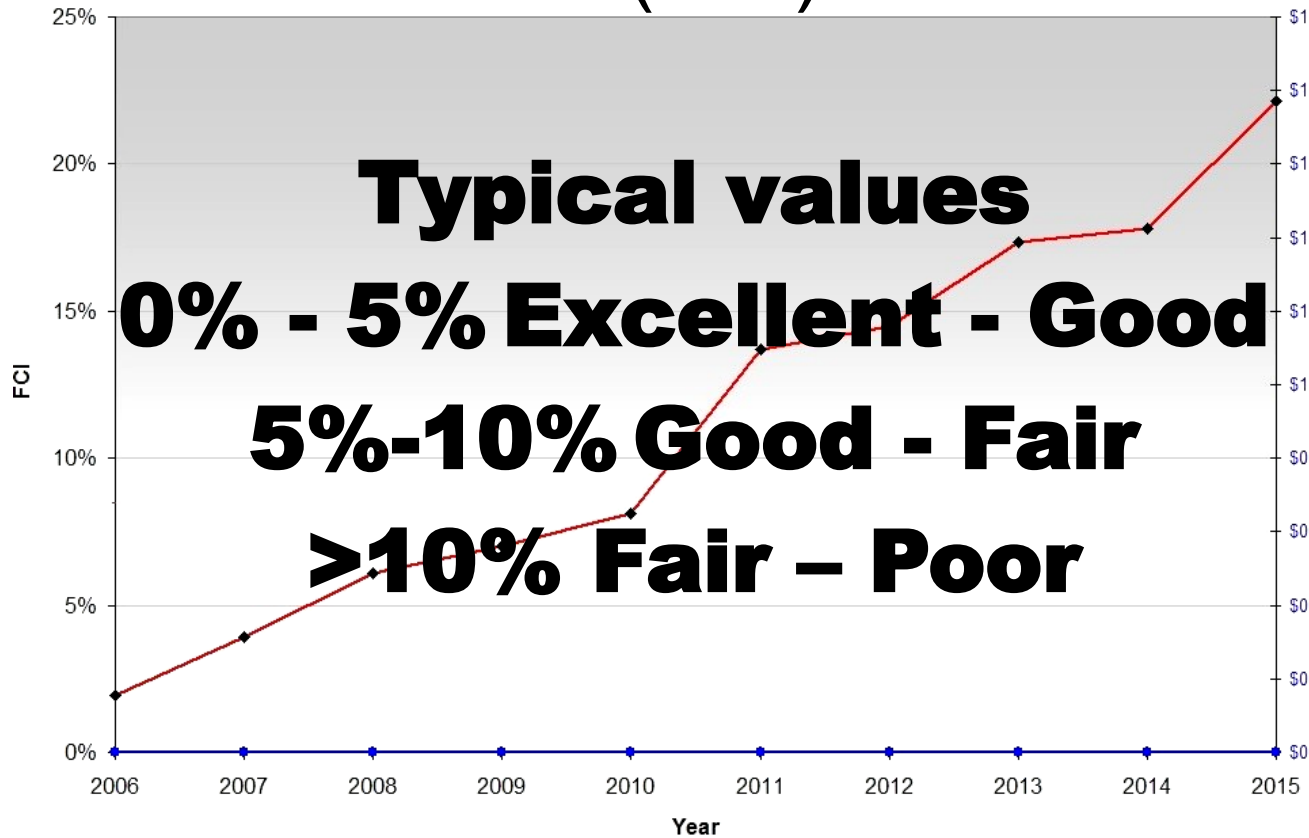
typically presented as a %

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# definitions

## *Facility Condition Index* (FCI)

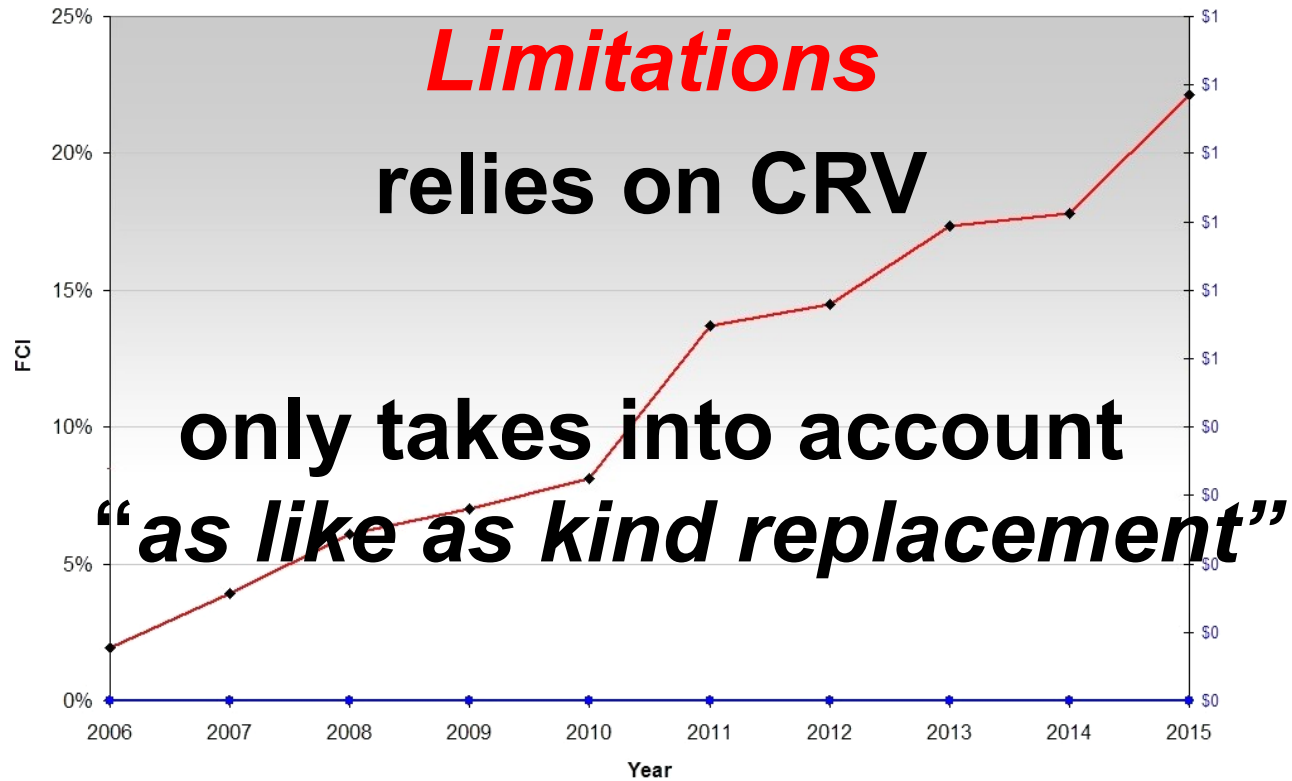


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# definitions

## *Facility Condition Index* (FCI)

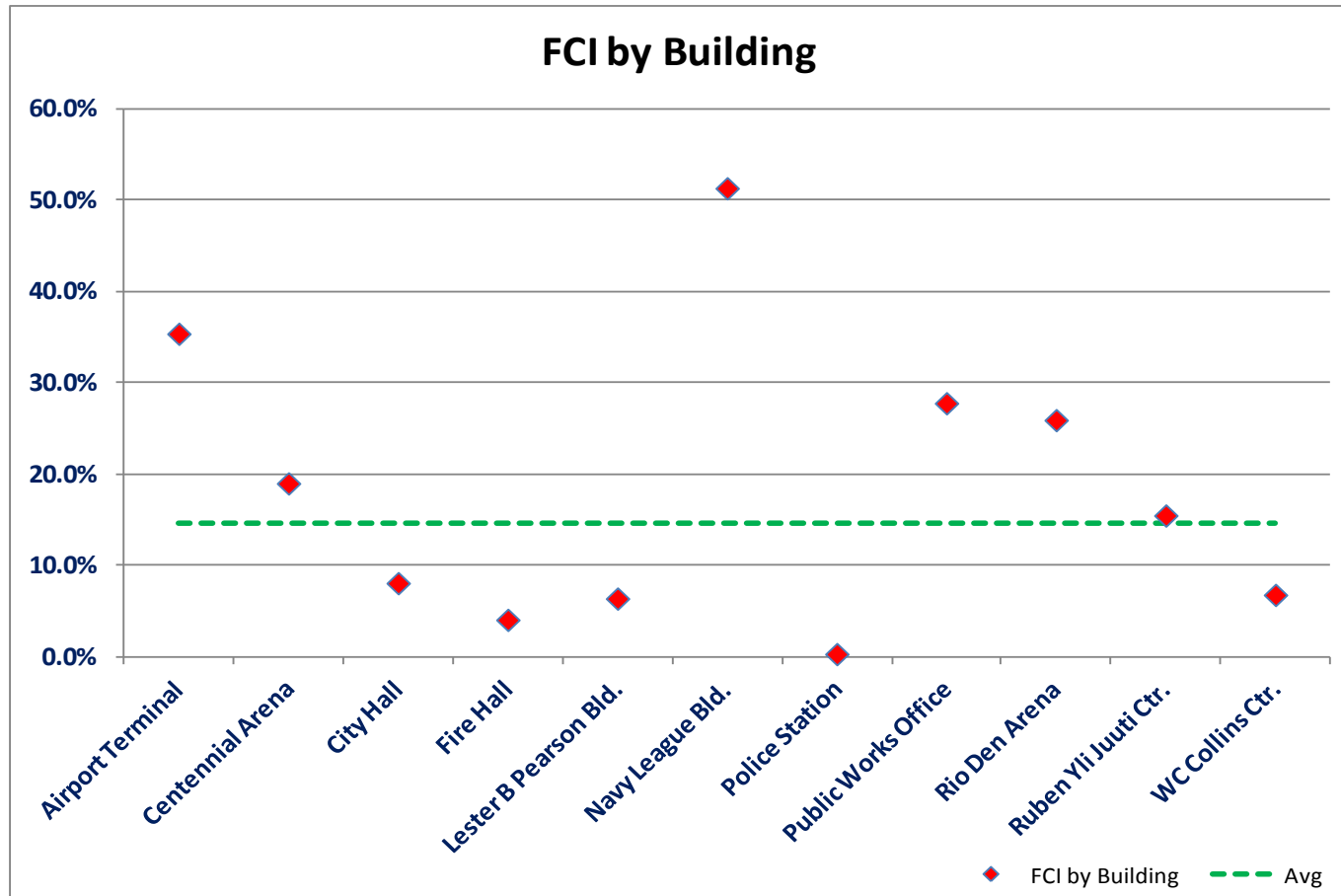


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# results FCI

## Portfolio Average 14.56%



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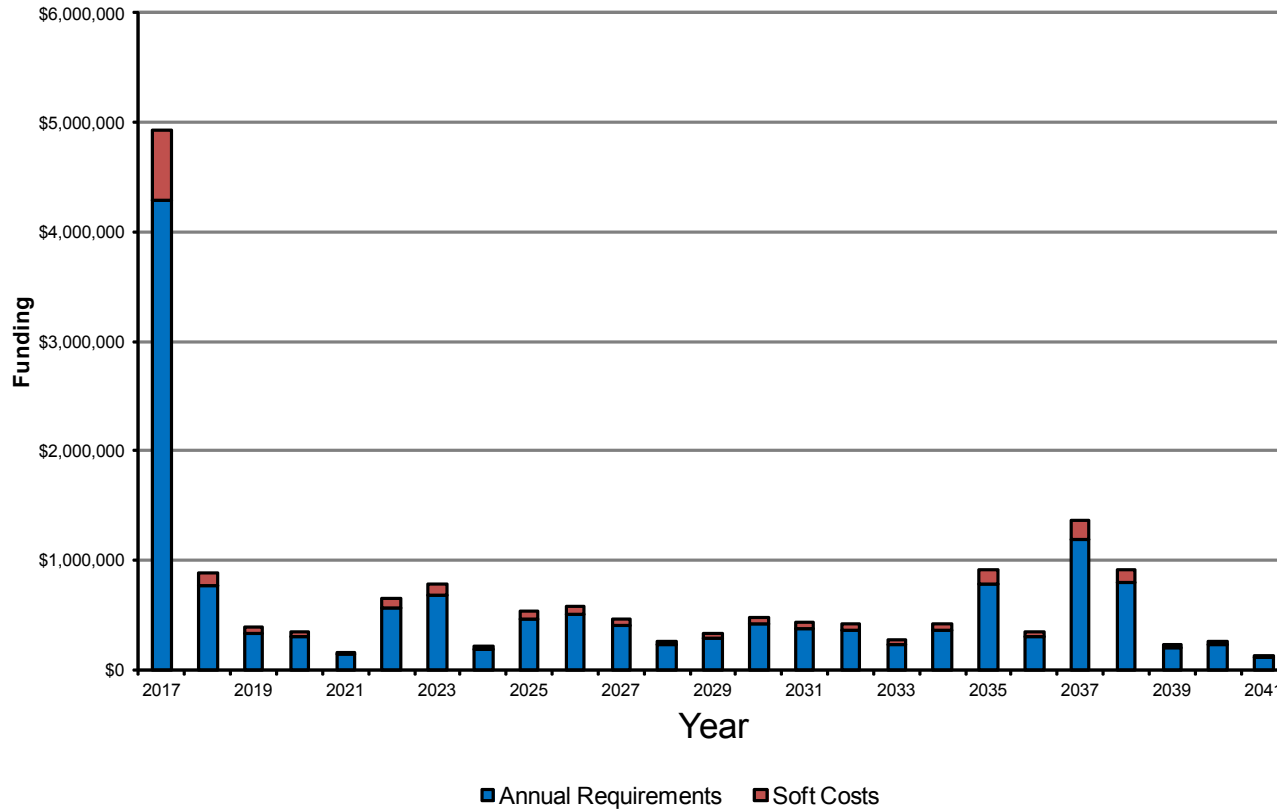


# results annual cash flow



Anticipated Recapitalization Costs by Year

March-27-17



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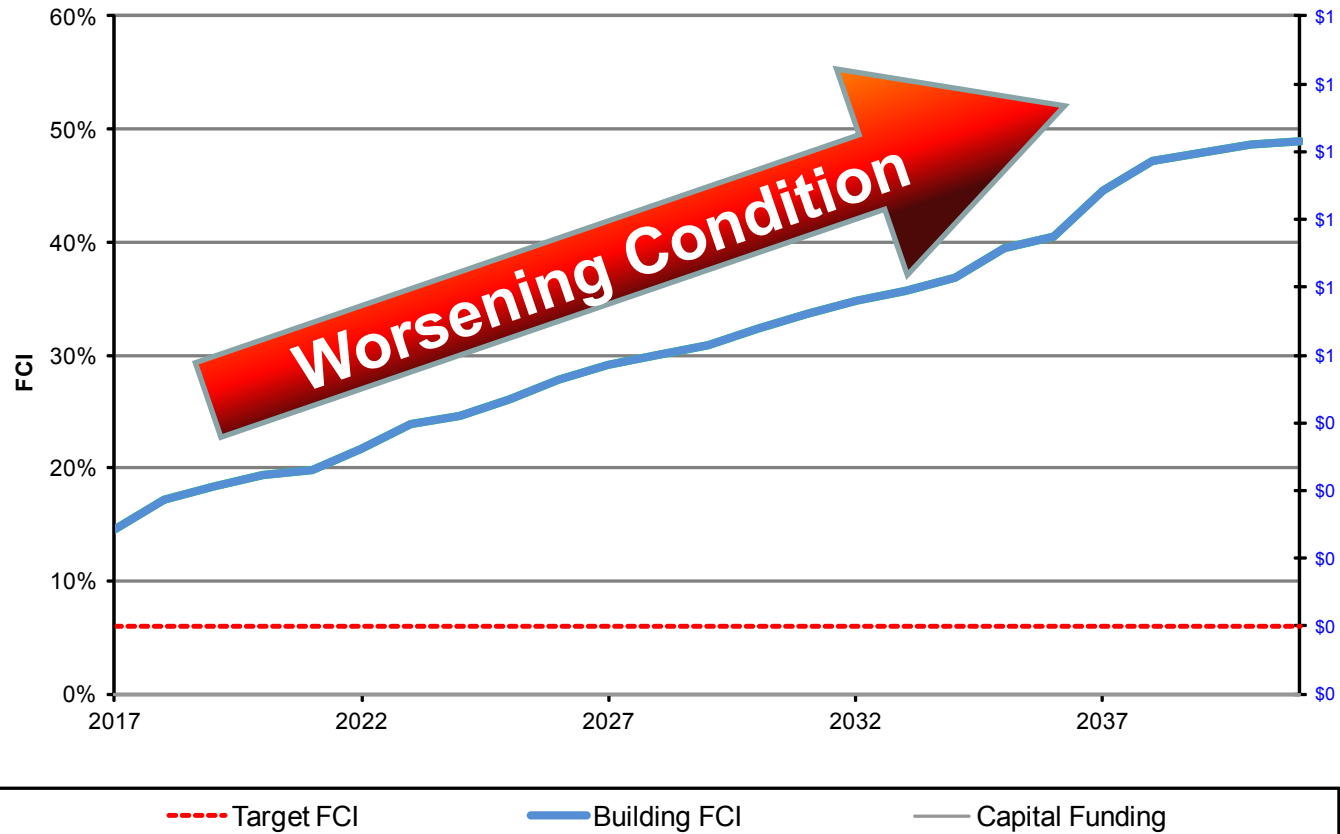
# outcomes

## FCI - TRENDING



Projected Facility Condition Index of Entire Portfolio

Tue., Mar. 28, 2017



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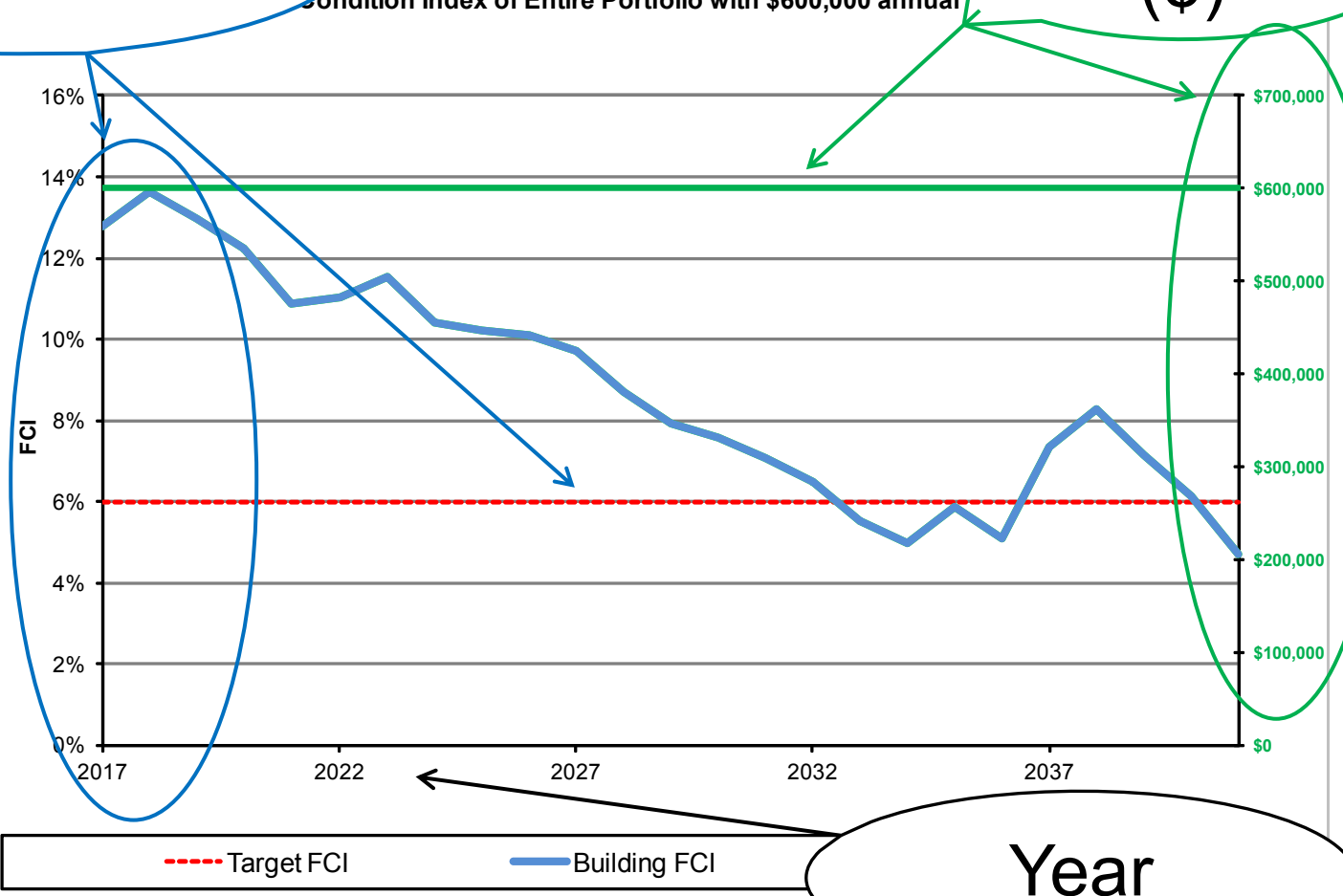
# results

FCI (%)

\$600K annual

Funding (\$)

Condition Index of Entire Portfolio with \$600,000 annual



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Year



# best practice

- complete the portfolio
- assessment of a percentage of buildings every year
- maintain the asset data
- provide consistent standard reports

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# asset management software

- Methodology is most important
- Software has its limitations
- Garbage In – Garbage Out
- Effective if maintained
- Common Sense
- Needs to support your process not define it
- Microsoft Excel works well

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## Conclusion

The Project should provide Elliot Lake with a solid foundation to support their facility asset management for years to come

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questions

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