

Deferred Maintenance Report 2005

Crumbling Foundations II (The Sequel)

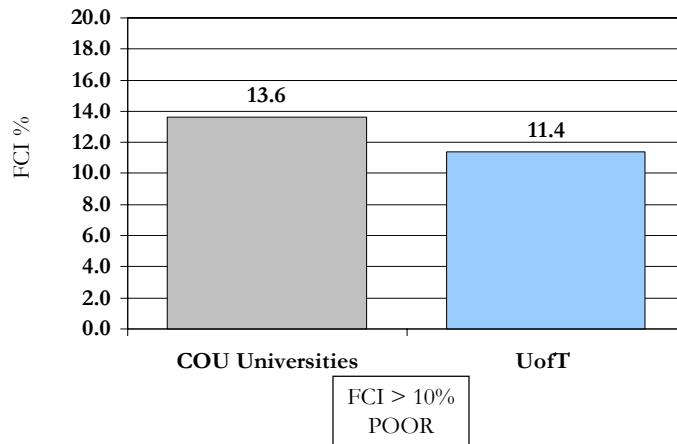
Supplied the University of Toronto Business Board
June 23rd 2005

Facilities Condition Assessment Program

- We are in the 4th year of a 5 year program
- All Ontario Universities are participating: using the same software, inspection criteria, and cost models
- Each facility / building is inspected and given a score called a “facility condition index” (FCI)
- $$\text{FCI} = \frac{\text{total cost of the deferred maintenance}}{\text{total replacement value of the facility}}$$
- The higher the FCI the poorer the facility's condition

Facility Condition Index Peer Review

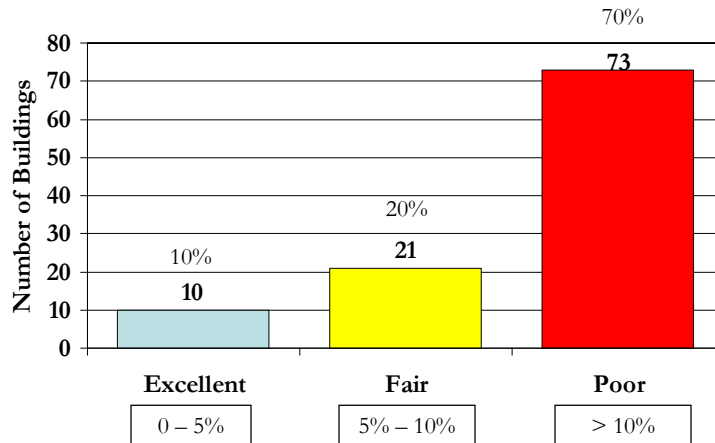
COU Universities VS UofT FCI Index



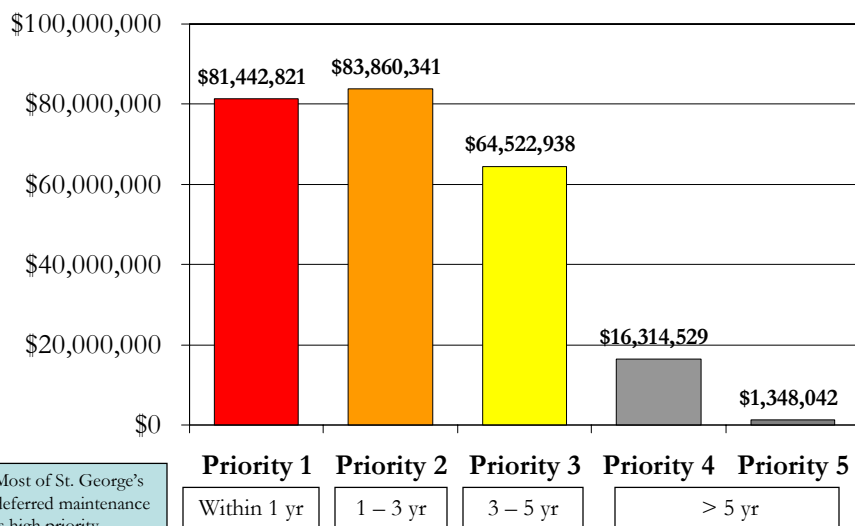
St. George Campus Status Report

- 72 of 104 buildings planned for review completed – This represents approximately 80% of building gross floor area
- Our FCI stands at 12.5 down from 13.0 in 2003
- Our total deferred maintenance liability stands at \$247M down slightly from the previous figure of \$273M
- This figure is considered conservative as it **does not include**:
 - Environmental liabilities – asbestos, R11 refrigerant, PCB transformers - estimated in the tens of millions
 - Infrastructure issues – according to US study infrastructure can represent 20 - 25% of the total deferred maintenance liability of buildings
 - Soft costs including consulting fees which can be 10-35% of the cost of a repair
 - Residence and Ancillary Buildings

St. George Campus Distribution of Buildings by FCI



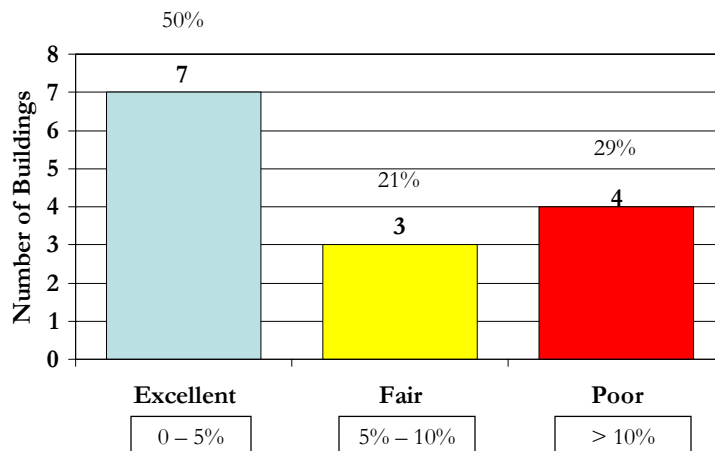
St. George Campus Priority of Deferred Maintenance Backlog



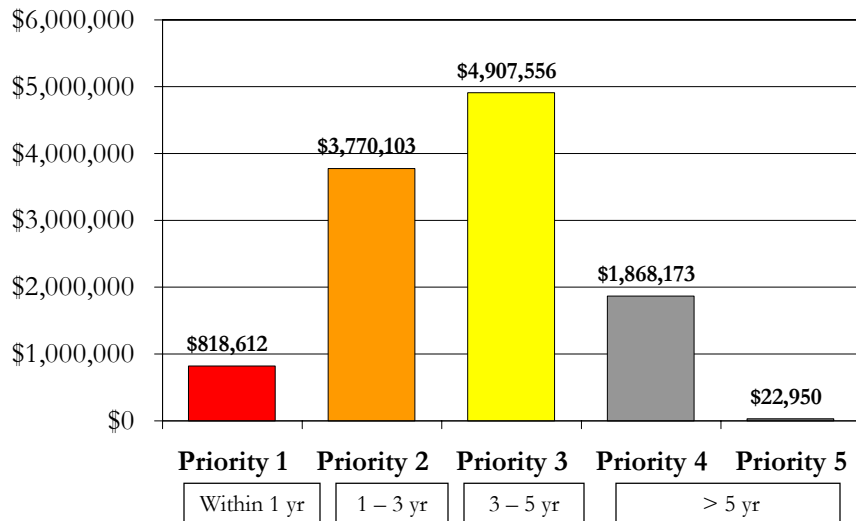
Mississauga Status Report

- Completed 100% of the 14 buildings with an overall FCI of 3.7 (excellent facility condition).
- Overall total deferred maintenance of \$11.4M.
- This figure may be conservative as it does not include:
 - Environmental liabilities
 - Infrastructure issues – power, heat, storm & sewage capacity
 - Soft costs
 - Residence

UTM Distribution of Buildings by FCI



UTM Priority of Deferred Maintenance Backlog



Scarborough Status Report

- All 16 buildings are scheduled to be audited by mid July 2005.
- Based on a theoretical model the estimated FCI is 14.0.

Result of Facilities Condition Assessment Program

- According to the OAPPA most Ontario Universities are now providing funding at some level for the backlog of deferred maintenance.
- In Fiscal 2005, approximately \$10M was spent on addressing this problem. The money was used to undertake:
 - Roof replacements,
 - Electrical infrastructure and building upgrades,
 - Compliance with environmental legislation regulations,
 - Heating ventilation and air conditioning upgrades,
 - Life safety upgrades.

Roof Replacement Architecture



Roof Replacement Architecture



How Are Funds Allocated?

Setting priorities for deferred maintenance funding is dependent on four basic criteria:

- Legislation, regulations, or order to the university requiring work to be undertaken.
- Risk of failure based on VFA study. We focus on priority one deficiencies.
- Work that can be coordinated with major renovations to buildings.
- Projects that support academic priorities.

New Funding Fiscal 2006 – The Good News!

- An allocation of \$8.4M for deferred maintenance for all 3 campuses has been provided by University.
- New Government FRP funding will be directed to the deferred maintenance issue for all three campuses.
- This funding is significant and will allow us to start to address this critical issue in a meaningful way.