



TO: Business Board

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DATE: January 27, 2010 for February 8, 2010

AGENDA ITEM: 9

ITEM IDENTIFICATION:

Annual Report on Deferred Maintenance for the Year 2009

JURISDICTIONAL INFORMATION:

The Business Board is responsible for University owned or leased property, including the district energy system and equipment and any general policies governing the maintenance of buildings and grounds.

PREVIOUS ACTION TAKEN:

The 2008 Deferred Maintenance report was presented for information at the meeting of February 11, 2009.

HIGHLIGHTS:

The University's total deferred maintenance liability on academic and administrative buildings presently stands at \$270M, up by \$13M from the previous year. The increase is attributable to the St. George campus and is a result of the building re-audit program. Our first round of facility condition audits were not completed to the level of detail of later building audits. As a result, the re-audited buildings show significantly more deferred maintenance on the second audit compared to our original audits. Another reason for the increase was the absence of major building retrofits in 2009. Previous year major building retrofits, such as the Economics and Canadiana buildings, and the Energy Reduction Project where 17 chillers were replaced, assisted in reducing the overall deferred maintenance liability.

Our combined facility condition index (FCI) is now 9%, up by half a percent from the previous year. Our institutional FCI is still below 10% (the threshold for buildings in "poor" condition) and 2% below the average for all Ontario universities. Over the past few years the FCI on all campuses has trended downward with the exception of the St. George Campus in 2009 which experienced a slight increase. The UTM and UTSC

portfolio of academic and administrative buildings remain in the “excellent” category and St. George hovers just within the “poor” category. Therefore deferred maintenance is substantively a St. George campus issue.

The funds that have been provided to address deferred maintenance have been utilized to address a wide range of projects including: roof replacements, building envelope repairs, heating/cooling and air conditioning improvements, elevator modernizations, improvements to lecture halls and study spaces, renovations to high use washrooms, and security, life safety and accessibility improvements.

FINANCIAL AND/OR PLANNING IMPLICATIONS:

The significant funding we are receiving from internal and external sources has effectively supported the management of this issue. This liability, however, will be with us for a very long time into the future. With stable and significant funding, we will be able to maintain the current condition of the buildings and minimize, although not eliminate, the chance of an unforeseen problem having major consequences to the University’s mission and operating budget.

RECOMMENDATION:

Report is for information.