

Forward & focused

Deferred maintenance report 2023



UNIVERSITY OF
TORONTO

Facilities & Services



Timothy Harlick - 2024/Q1-24/06/2023
University of Toronto



Timely renewal of our aging infrastructure is vital to our success

Our ability to address deferred maintenance needs has a direct impact on:

- Maintaining the organization's ranking and reputation
- Attracting and retaining top research and teaching talent
- Every facet of the student experience on campus
- Ensuring the reliability of our building systems
- Preventing failures and incidents

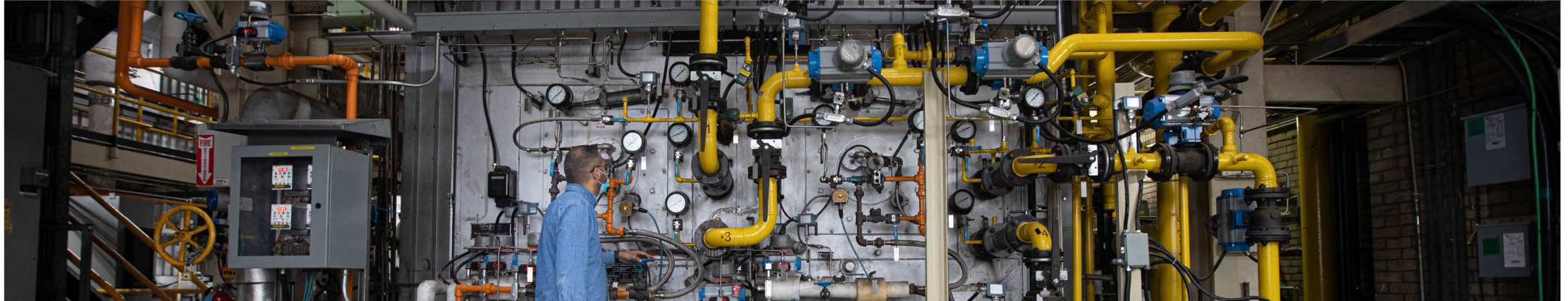


Deferred maintenance defined

Deferred maintenance is the backlog of major building infrastructure renewal and upgrades that have been postponed to future budget cycles due to a lack of funds.



Tri-campus summary: 2023



\$6.6B

The total current replacement value of all University buildings **increased by \$700M** since 2022.

\$1.2B

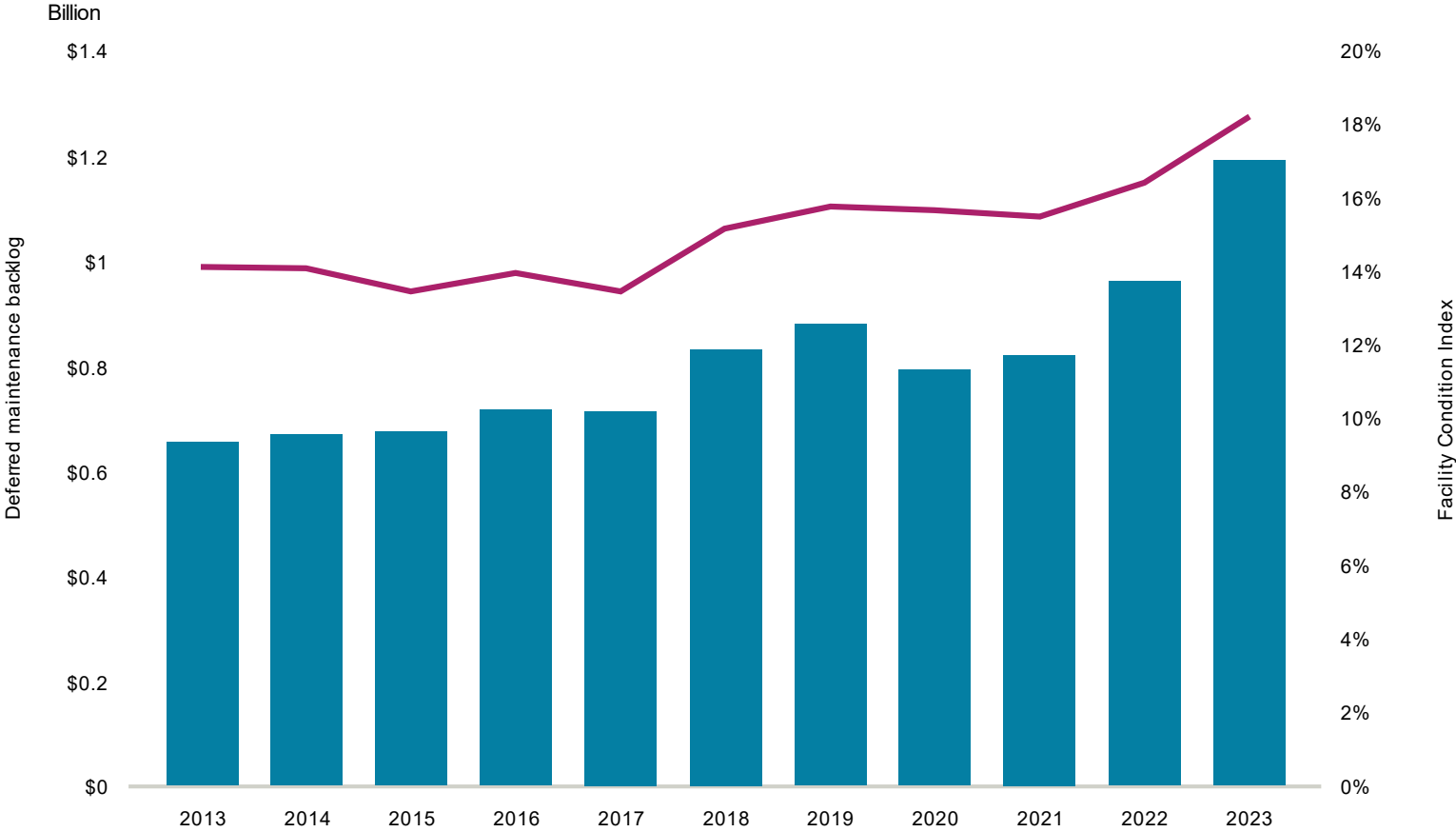
The tri-campus deferred maintenance backlog **increased by \$232M** since 2022.

18.2%

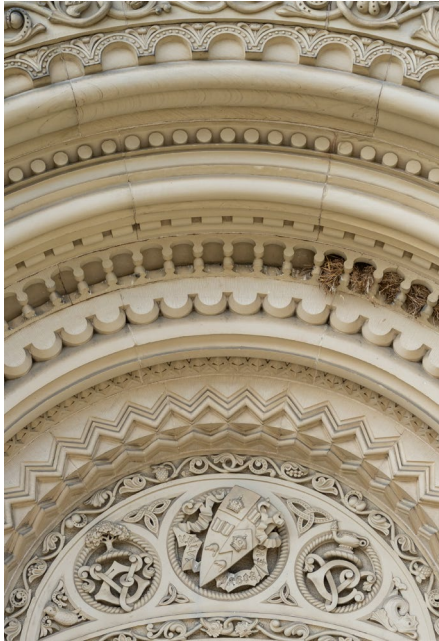
The combined tri-campus Facility Condition Index **increased by 1.8%** since 2022.

The increasing backlog

Tri-campus historical facilities deferred maintenance cost



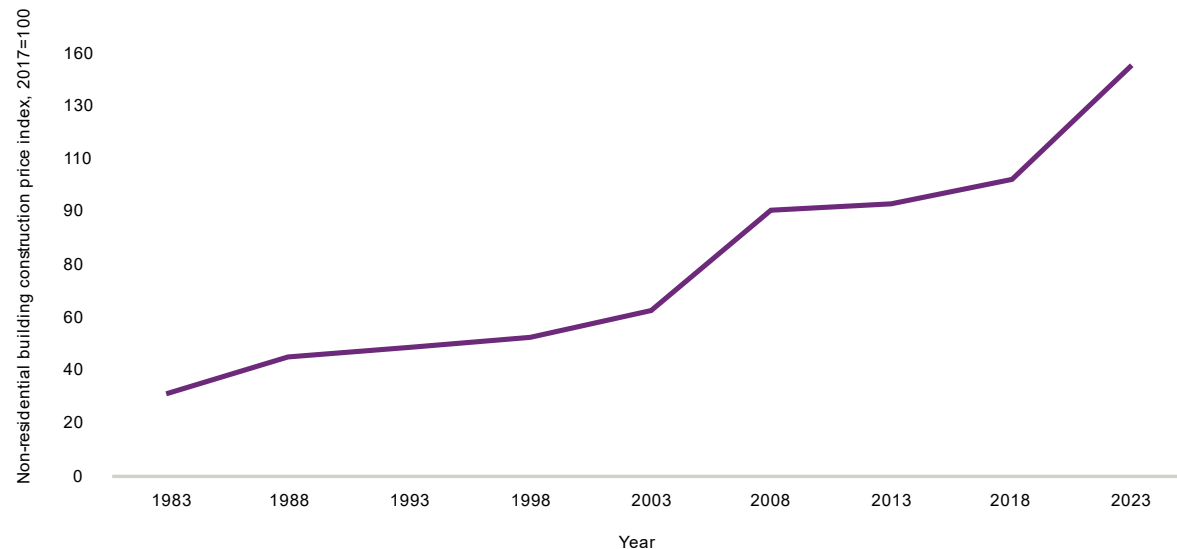
Deferred maintenance by campus



| | DEFINITION | ST. GEORGE | MISSISSAUGA | SCARBOROUGH |
|--|--|--------------------------------|--------------------------------|---------------------------------|
| TOTAL CURRENT REPLACEMENT VALUE | The cost to replace all academic and administrative buildings on campus | \$5.23B for 117 buildings | \$0.77B for 26 buildings | \$0.59B for 11 buildings |
| DEFERRED MAINTENANCE BACKLOG | The cost of major repairs and upgrades needed to fix a building's deficiencies | \$992M (up \$214.2M) | \$101.2M (up \$6.9M) | \$100.1M (up \$10.6M) |
| FACILITY CONDITION INDEX | Total deferred maintenance backlog / total current replacement value | 19% (up 2.6%) | 13.8% (down 2.6%) | 16.8% (up 0.1%) |
| PRIORITY-ONE NEEDS | The cost of deficiencies that are recommended to be addressed within the next year | \$321.5M (up 98.9%) | \$39.8M (up 12.7%) | \$18.9M (up 103.2%) |

Persistent high inflation has eroded our purchasing power

Non-residential building construction price index in Toronto



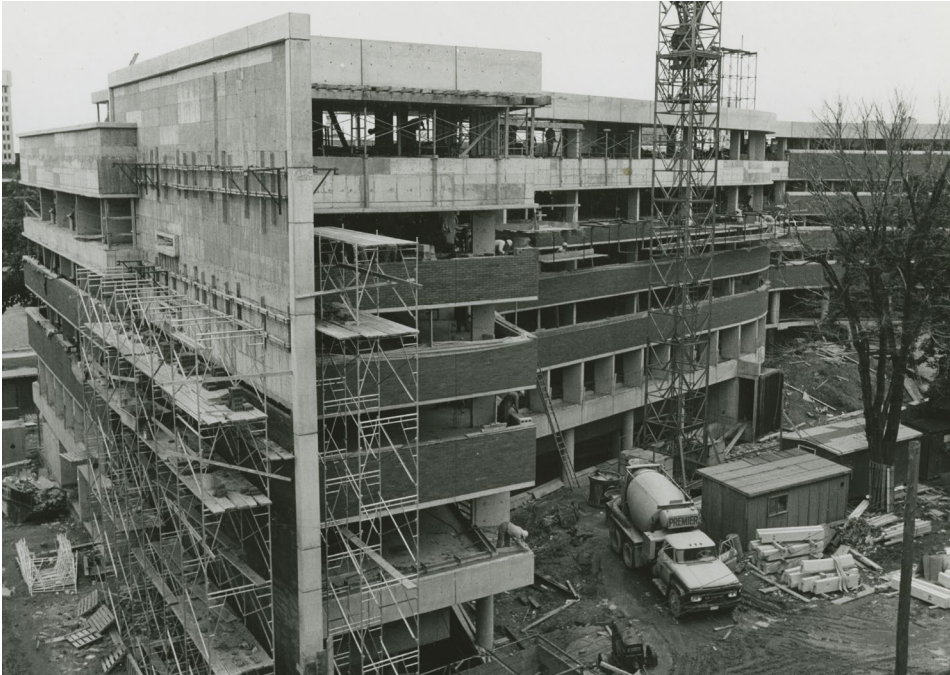
Since 2020, year-over-year inflation rates for non-residential construction in Toronto ranged from 8% to 17.5%.

This is the **fastest increase to the city's non-residential construction price index** in the last forty years.

With the same budget, we can now undertake fewer deferred maintenance projects than in previous years.

Building systems approaching obsolescence

1960s



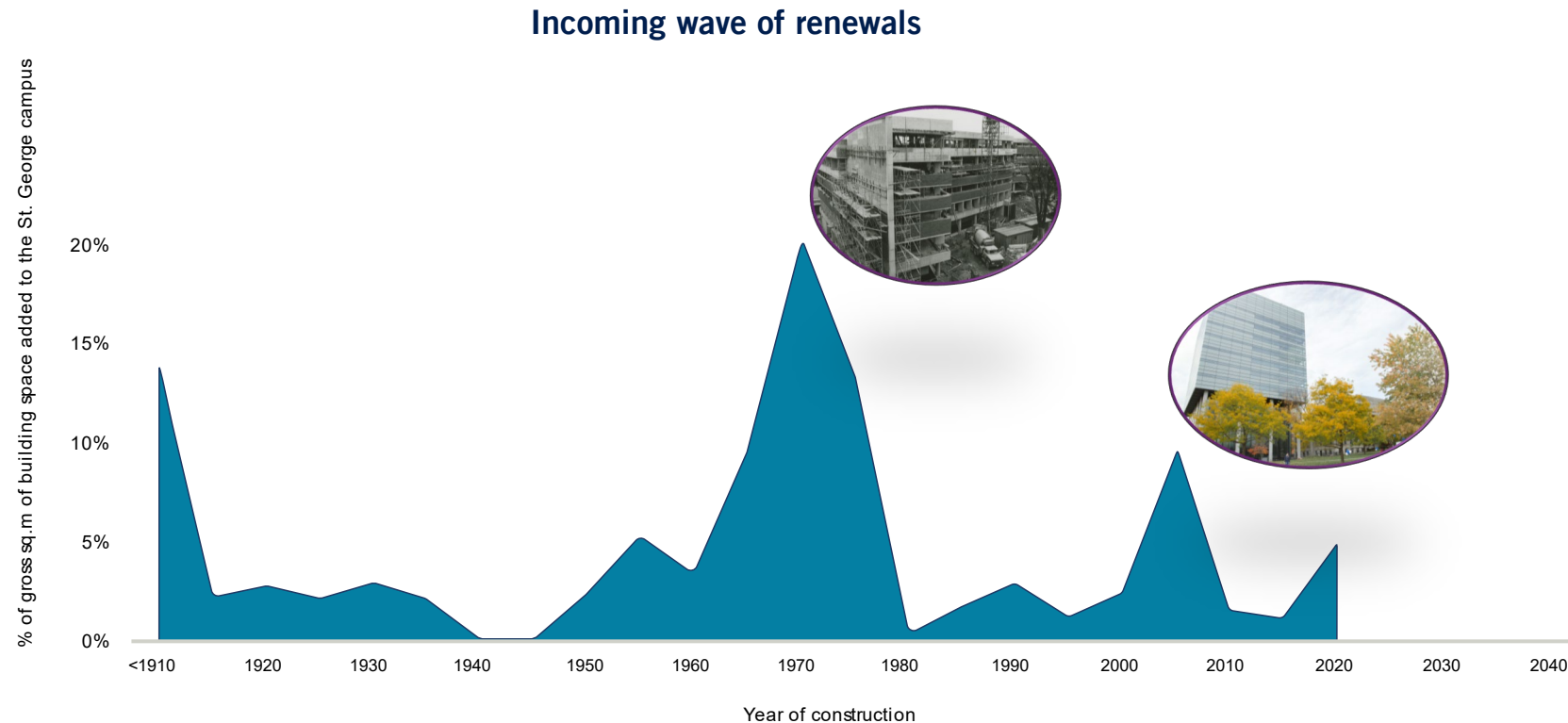
New College, 1968

EARLY 21st CENTURY

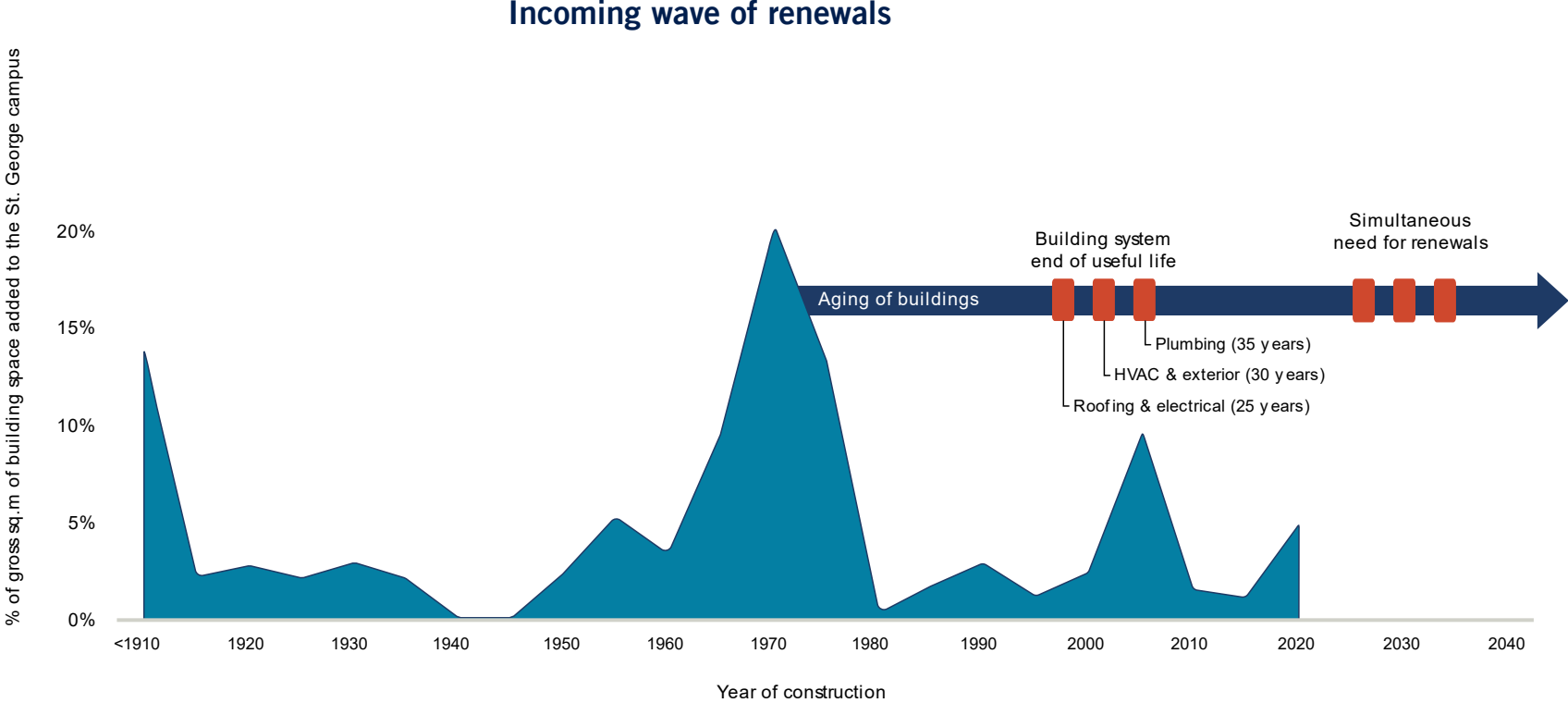


Leslie L. Dan Pharmacy Building, 2006

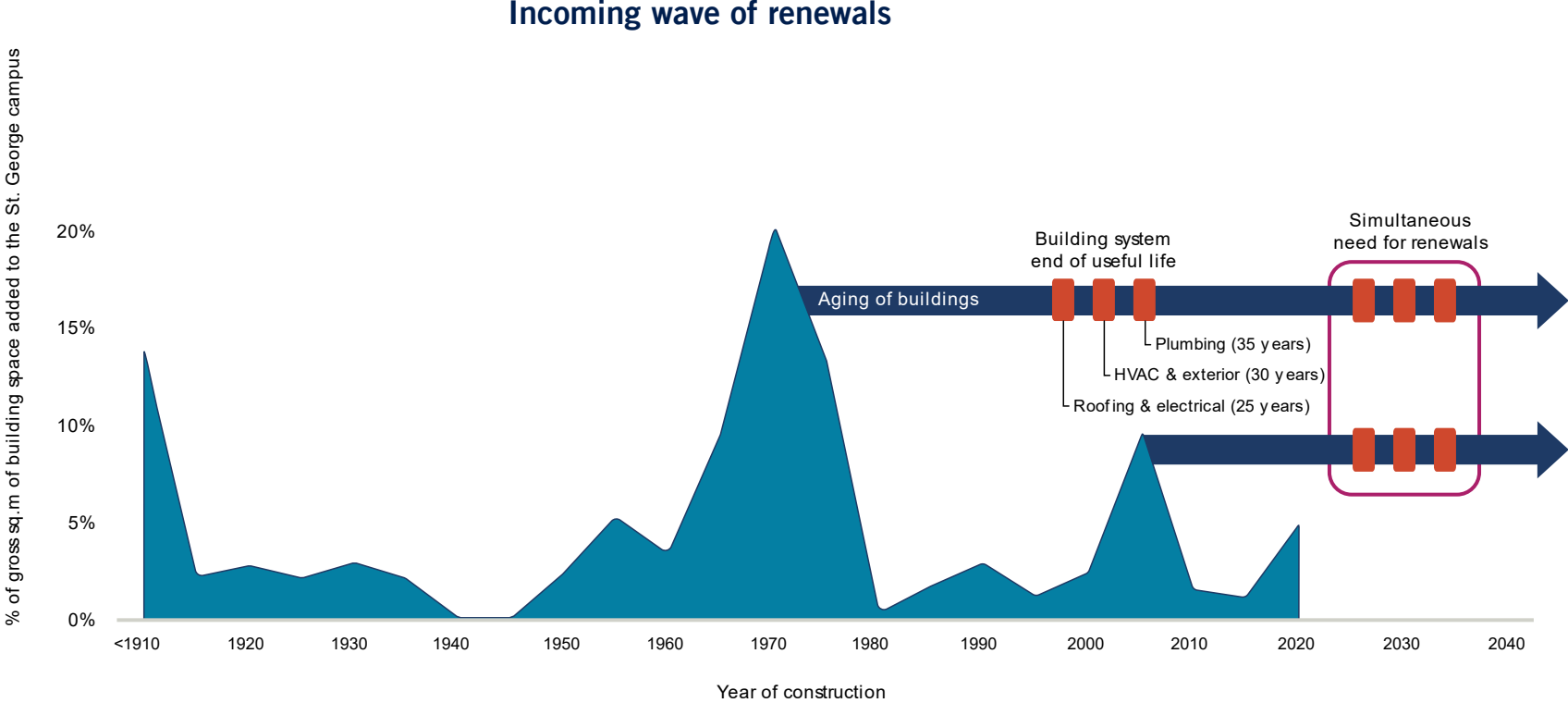
The backlog is growing as many building systems approach end of useful life—simultaneously



The backlog is growing as many building systems approach end of useful life—simultaneously

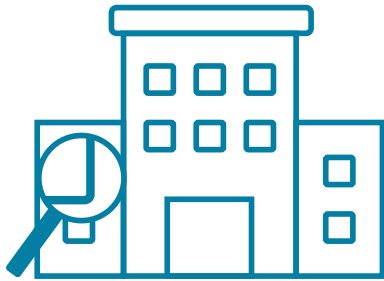


The backlog is growing as many building systems approach end of useful life—simultaneously



Our risk-based methodology informs fiscally responsible funding allocation

1



AUDIT

2



ASSESS

3



ALLOCATE

4



ACT

Funding is prioritized for assets with the highest risk of failure and greatest potential impact on the University

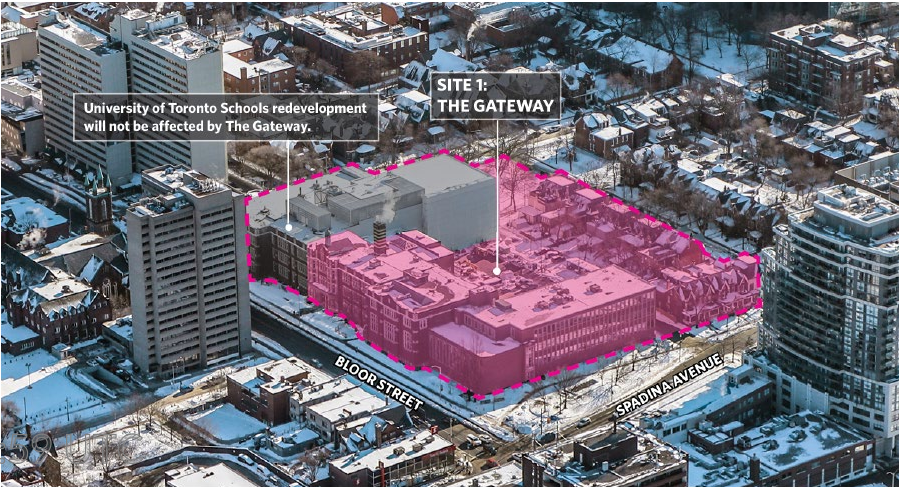
Every year each asset is assigned a weighted risk score of one to five based on the following criteria:

- The **physical condition** of the asset based on the facilities condition audit
- The **current use** of the facility that prioritizes academic and research uses
- The **future use** of the building based on the University's capital plan
- If the asset fails, the severity of **impact on building occupants and other building systems**

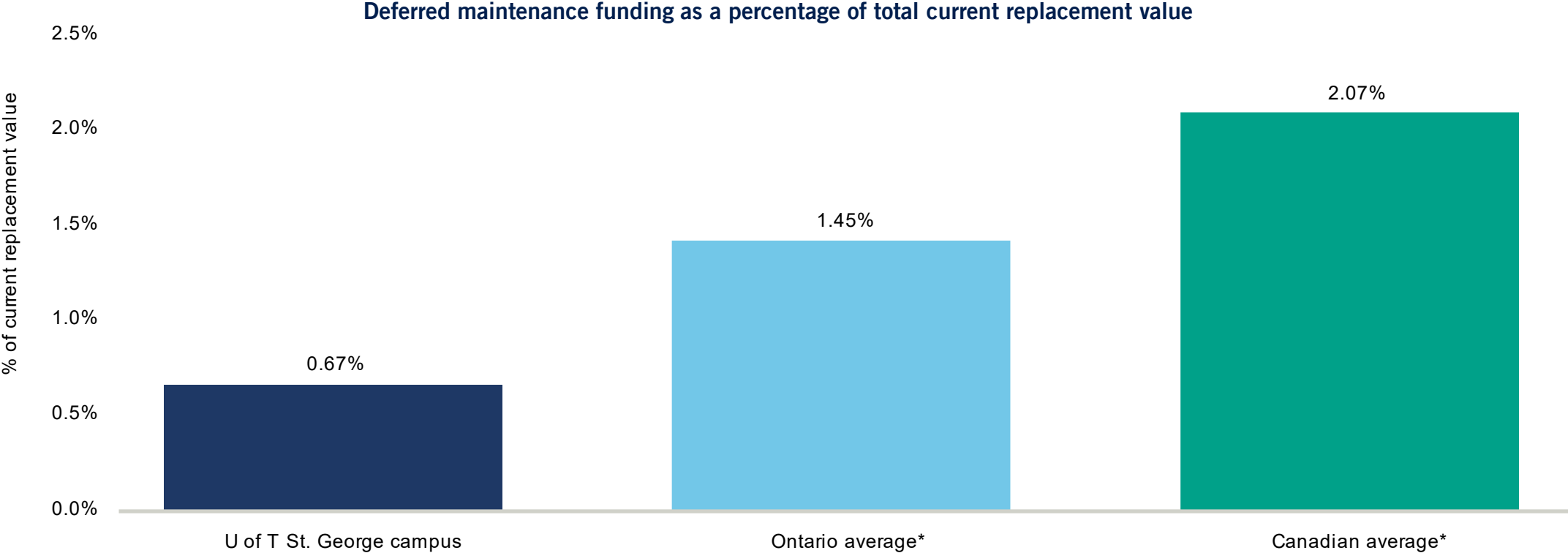


Construction projects indirectly address a significant portion of deferred maintenance

| PROJECT | IMPACT ON DM |
|---|--------------|
| Project Leap | \$30M |
| 215 Huron Street, the west wing of the Medical Sciences Building, and Site 1: The Gateway | \$81M |
| Many small renovations | \$27M |



Benchmarking our investment

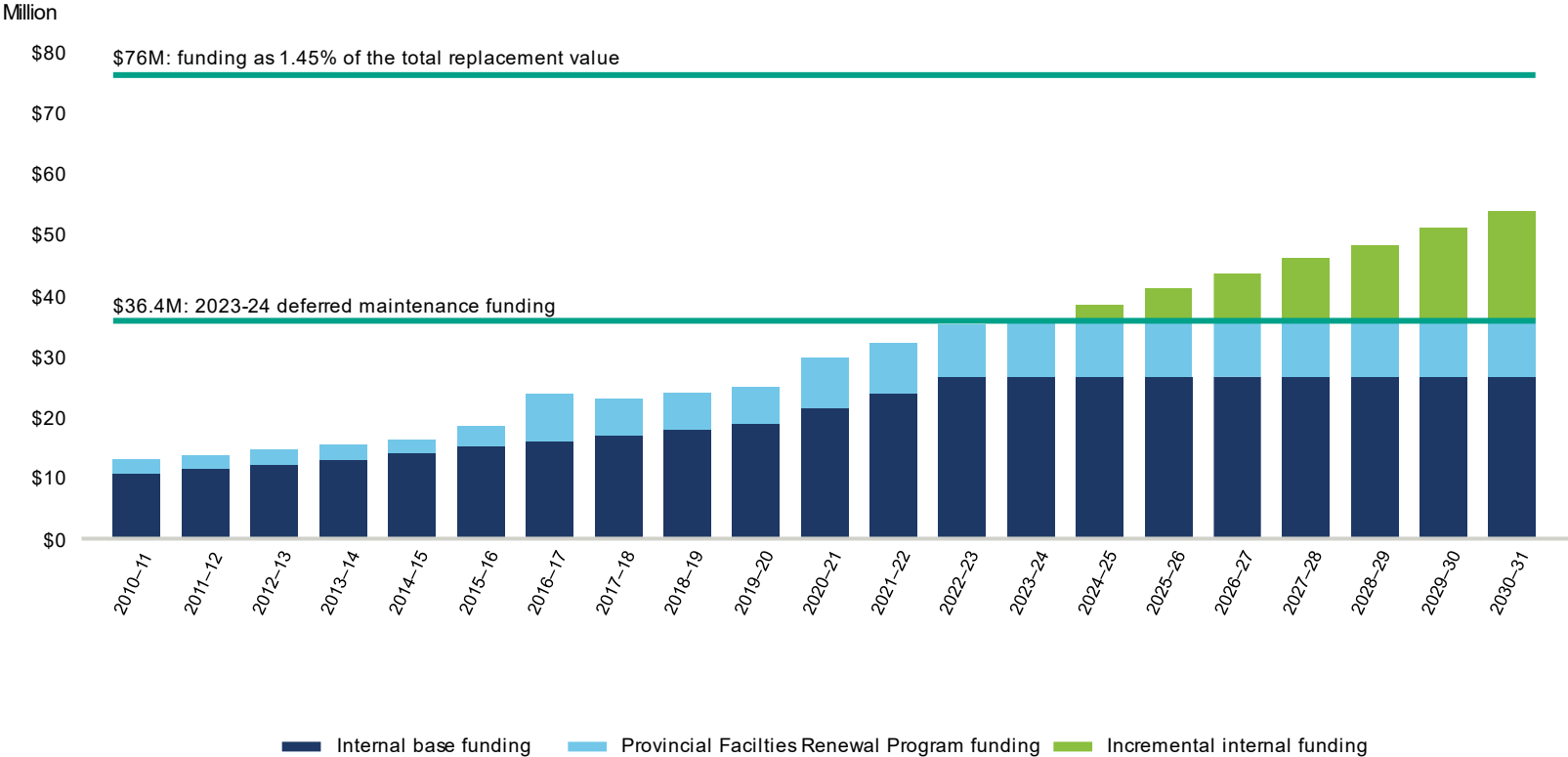


*Canadian Association of University Business Officers. "2019 CAUBO Deferred Maintenance at Canadian Universities." January 2020.



\$76M is needed to catch up to the average provincial spend of 1.45%

Multi-year incremental funding proposal



Project breakdown

| CATEGORY | EXAMPLES | COST |
|--|--|----------------|
| ELECTRICAL & MECHANICAL SYSTEMS | Basin and tank replacements Building automation system upgrades New electrical switchgear Substation maintenance and electrical revitalization Building conversions and energy retrofits | \$19.2M |
| ROOFS & BUILDING ENVELOPES | Roof replacements Exterior painting, window replacements, wall repairs, and perimeter caulking Noise abatement barrier installation | \$12.6M |
| INTERIOR & FABRIC PROJECTS | Fire panel replacements Mould investigation Pipe replacements Balcony repairs | \$1.9M |
| ELEVATORS | Major elevator renewal Elevator door upgrades Freight elevator repairs | \$1.4M |
| ROAD REPAIRS & GROUNDS | Asphalt and concrete repairs Fence repairs Irrigation upgrades | \$1.3M |
| TOTAL | | \$36.4M |

87%





Timothy Harlick - 2024/01/24 19:57 UTC
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